

Paper 3 Appendix 3

Relevant extracts from the Joint SORP-making body's submissions to the FRC

Statement of Financial Activities - presentation

In its first submission to the FRC's call for views on FRS 102, the Joint SORP-making body proposed that FRS 102 be amended to allow a SORP to require public benefit entities to reorder line items in an income statement. The proposal was made predominantly to facilitate the production of an upside-down SoFA. However, as noted in Paper 3, at the meeting of the Charities SORP Committee on **4 August 2021** it was tentatively concluded that an upside-down SoFA should not be introduced.

Comparative Information

To facilitate more latitude in reporting requirements for comparative information, in its first submission to the FRC's call for views on FRS 102, the Joint SORP-making body proposed that Section 1A be amended to permit SORPs to specify the use of comparatives for SORP specific reporting requirements for small entities.

Disclosures – including, but not limited to, the funds note and post-employment benefits

To facilitate a simplification of the disclosures required in a charity's financial statements, in its first submission to the FRC's call for views on FRS 102, the Joint SORP-making body proposed reduced disclosure requirements for public benefit entities. This proposal had a particular emphasis on disclosures relevant to defined benefit pension schemes and profit-oriented disclosures. This proposal was not specific to smaller charities or to Section 1A.