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FAO: Technical Director  
International Accounting Standards Board  
First Floor  
30 Cannon Street  
London, EC4M 6XH  
**United Kingdom**  
26th September 2008

Dear Sir / Madam

**Exposure Draft of an Improved Conceptual Framework for Financial Reporting – comments from ActionAid UK**

We write to endorse the comments submitted by the Tax Justice Network on the above exposure draft issued by the International Accounting Standards Board (IASB) in May 2008.

ActionAid is an international anti-poverty agency working in over 40 countries. We believe that the exposure draft you have issued could have a direct impact on the work we do in developing countries. Global financial reporting is of significant concern to organisations working to relieve global poverty because of the extent to which developing countries depend on trade from multinational companies. The availability of financial information is essential for global civil society stakeholders to monitor corporate governance, corruption, and financial flows in and out of these countries.

We strongly agree with the comments submitted by the Tax Justice Network as they echo our primary concerns in regards to the IASB's exposure draft.

First, the draft assumes that the primary user group of financial reporting is capital providers. We would argue that this information is equally required by governments, employees, consumers, suppliers and civil society in all countries. A focus on capital providers also biases the user group towards developed countries, despite the extensive role of multinational companies in developing countries. In keeping with IASC's public interest remit, our view is that other users must be given equal weighting to capital providers.

Second, in order to be of relevance to these users financial reporting must then be provided on a country-by-country basis. Consolidated financial reports are of little use to governments, employees, consumers, suppliers and civil society who are largely concerned with the activities of multinational corporations operating within their national borders. We therefore fully support the Tax Justice Network call for country-by-country reporting.

We thank you for this opportunity to comment and will follow the outcomes of this consultation with interest.

Yours Sincerely,

Anna Thomas  
Head of Economic and Social Development  
ActionAid UK

