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**Your Ref:**  
**Our Ref:** RTJ/ND/SORP

**Date:**

Dear Joanne,

**Consultation - The Financial Reporting Standard for Public Benefit Entities (FRED 45)**

The Charity Commission and the Office of the Scottish Charity Regulator act together as the joint SORP-making body for UK charities and our response to your consultation is made in that capacity. Your consultation and exposure drafts on 'The Financial Reporting Standard for Public Benefit Entities' has been considered by our SORP Committee at its recent meetings and our response incorporates the views and advice we have received from that Committee.

We welcome the development of this proposed standard. However, we do think that it is important for the FRSPBE, and the Charities SORP, to apply equally to charities in all tiers of reporting to ensure sector specific transactions are addressed consistently and to ensure the information needs of charity stakeholders are met.

It would also be helpful if the ASB clarified their future intentions for the FRSSE. Charities are unsure whether the FRSSE is perceived by the ASB as a transition standard or whether it will be retained for the foreseeable future. If charities are to make an informed decision as to the reporting tier to adopt then they need great certainty as to the ASB intentions for this standard.

Our response to the specific questions raised in your consultation is attached as an appendix to this letter. If particular issues arise from our response, we would welcome the opportunity to discuss these further with you.

Yours sincerely,

Sam Younger  
Joint Chair of Charities SORP Committee  
Chief Executive, Charity Commission

Jane Ryder  
Chief Executive, OSCr

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