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Submission by email to: UKEndorsementBoard@endorsement-board.uk

4 July 2023

**Re: Response to Invitation to Comment on Draft Endorsement Criteria Assessment of
*International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)***

Dear Pauline,

On behalf of RSM, a leading audit, tax and consulting firm to the UK middle market, we are pleased to comment on the UK Endorsement Board (UKEB) Draft Endorsement Criteria Assessment *International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)* (“DECA”)

We agree with the DECA and support the adoption of these amendments into UK IFRS.

Our comments and detailed responses to the questions set out in the Invitation to Comment are set out in the appendix to this letter.

We would be pleased to respond to any questions the Board or its staff may have about any of our response. If you have any questions or comments, please do not hesitate to contact Paul Merris.

Yours faithfully,

RSM UK TAX AND ACCOUNTING LIMITED

RSM UK Tax & Accounting Limited

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APPENDIX

Questions

Technical accounting criteria assessment

1. Do you agree with the draft assessment of the Amendments against the technical accounting criteria? (please select one option)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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2. Please include any comments you may have in response to question 1:

We agree with the draft assessment of the Amendments against the technical accounting criteria. We believe that the exception for Pillar Two model rules for deferred tax accounting is necessary due to the complexity in calculating the deferred tax impact of Pillar Two top-up taxes.

Furthermore, we believe that the additional disclosures will provide useful and relevant information to financial statement users.

True and fair view

3. Do you agree with the draft assessment that the Amendments **are not contrary to the true and fair view requirement**? (please select one option)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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4. Please include any comments you may have in response to question 3:

We agree that the proposed Amendments would not prevent financial statements prepared under UK-adopted IFRS from providing a true and fair view.

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UK long term public good

5. Do you agree with the initial assessment of **costs and benefits for preparers and for users** of the Amendments? (please select one option)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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6. Please include any comments you may have in response to question 5, including if any costs or benefits have been omitted:

We agree with the assessment of the costs and benefits of the Amendments for preparers and users in the DECA.

7. Do you agree with the draft assessment that the Amendments are likely to be conducive to the **long term public good in the UK**? (please select one option)

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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8. Please include any comments you may have in response to question seven:

We agree that the Amendments are conducive to the long term public good in the UK. The adoption of the Amendments will ensure alignment of UK-adopted IFRS with IFRS as issued by the IASB. Furthermore, the Amendments provide clarity to both users and preparers of financial statements and will eliminate potential diversity in practice.

We have no further comments on the DECA.

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