Geoffrey Mitchell
Director, Finance Projects
Barclays PLC
1 Churchill Place
London E14 5HP

27 June 2005

Mr José María Roldán
Chairman
CEBS
josemaria.roldan@c-ebs.org

Dear Mr Roldán

CEBS Consolidated Financial Reporting Framework

Barclays PLC is a UK-based international financial services group engaged primarily in banking, investment banking and investment management. In terms of assets employed, Barclays is one of the largest financial services groups in the United Kingdom.

Barclays has been involved in banking for over 300 years and operates in over 60 countries, including Ireland, Spain, Portugal, France, Italy and Germany. It has 76,200 employees and over 2900 branches world-wide. For more information, about Barclays PLC, please visit www.barclays.com

Barclays PLC welcomes the opportunity to comment on the CEBS proposed consolidated financial reporting framework. Whilst we support the harmonisation of both financial and prudential reporting formats within the EU and the reduction of administrative burdens on cross-border groups, we do not believe this project will achieve these aims and we do not support the proposals being taken forward as they stand.

In order to achieve true harmonisation, the first step would be to standarise the current diversity of supervisory approaches. We do not understand why different supervisors in the EU should require different financial information. We consider that a framework which permits supervisors to require additional information and additional detail is not consistent with harmonisation or with reducing administrative burdens.

We strongly oppose any proposals that would permit the reporting framework to restrict recognition, measurement or presentational choices available to companies under IFRS. Any restriction of the options which are available under IFRS would be likely to introduce significant complexities in banks' IT systems.

One of the main aims of the proposals seems to be merely to improve the cost-effectiveness of banking supervision by standardising reporting format and language. There is no attempt to measure the cost impact on banks of providing information in this format. Overall cost-effectiveness in the EU may be better served by improving the training of supervisory staff so that they can understand and assess financial information prepared in accordance with IFRS, rather than in requiring banks to reformat information, or more particularly, provide information that is not readily available from their systems.

We recognise that banking supervisors may sometimes have specific information needs which may be in addition to or different from that which is required under IFRS. However, this should be kept to the minimum with stringent cost/benefit analysis being needed for any departure from IFRS.

Whilst we would support a project to harmonise and reduce financial reporting requirements across the EU, we do not believe the project as drafted would achieve these aims and cannot support it.

Yours sincerely

Geoffrey Mitchell
Director, Finance Projects

Barclays PLC
Level 29
1 Churchill Place
London
E14 5HP

geoffrey.mitchell@barclays.co.uk