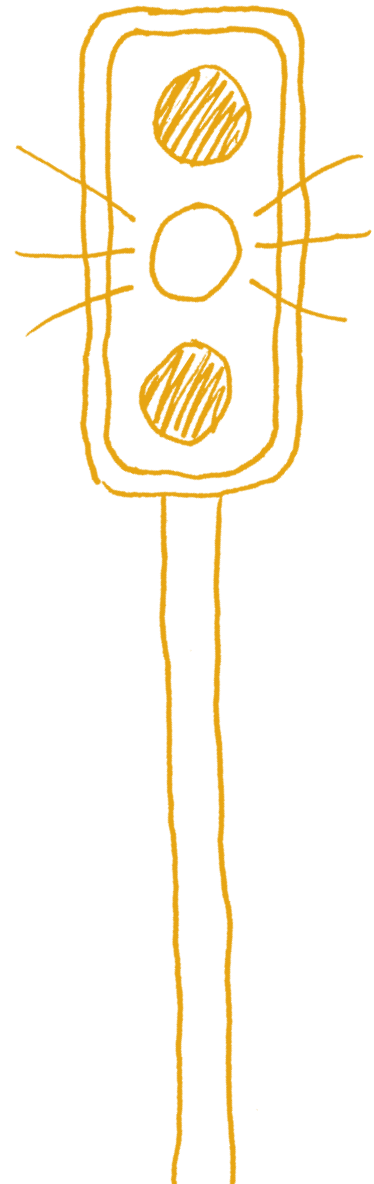


Goodbye OFR, hello Business Review

# All change



This paper summarises some of the main changes that have come about as a result of the Chancellor's decision to abolish the mandatory OFR.

## Quick guide

1. OFR regulations repealed on 12 January 2006.
2. All companies must still comply with the extended Business Review (BR) requirements originally introduced at the same time as the OFR (March 2005).
3. The BR forms part of the Directors' Report, and complies with the minimum requirements of the EU Accounts Modernisation Directive.
4. The BR is, in effect, a much less detailed, less prescriptive version of the statutory OFR.
5. There are, however, some fundamental areas missing. The OFR had a real focus on strategy and forward-looking information. It also required detailed information on the marketplace and was fairly prescriptive on KPIs.
6. The OFR was based on a Reporting Standard – RS1, as created by the Accounting Standards Board – that resulted from primary legislation. The content of the Business Review is defined by primary legislation and, is therefore, far less detailed.







