

Annual Review of Corporate Reporting

The Annual Review of Corporate Reporting 2025/26 describes the activity and findings of the FRC's Corporate Reporting Review (CRR) function, for the year to 31 March 2026.

We performed **more** reviews this year, reflecting various factors including the mix between full-scope and more targeted thematic reviews.

248 reviews

2024/25: 222 reviews

2023/24: 243 reviews

We write **substantive letters** to companies when we need additional information or explanations to help us understand their reporting more fully, when it appears that there is, or may be, a material breach of the relevant reporting requirements. We are pleased to see the following in relation to this:

- The **overall write-rate** (substantive letters as a percentage of cases opened in the year) has fallen now for two consecutive years, reflecting a **positive trend in reporting quality** across our risk-based sample.

28% **overall write-rate**

2024/25: 37% 2023/24: 47%

- Our reviews of **FTSE 350 companies** this year indicate that the quality of corporate reporting in this category has been **maintained**.

20% **FTSE 350 write-rate**

2024/25: 26% 2023/24: 28%

- There is some evidence of a **reduction in the gap in quality between FTSE 350 and other companies**. We are encouraged to see this given our work over recent years to support companies outside the FTSE 350.

35% **others write-rate**

2024/25: 44% 2023/24: 61%

We do not have a target write-rate. The reduction in the write-rates indicates an improvement in the quality of reporting, although factors such as mix of case types and nature of thematic reviews also impact the write-rate.

There has been a continued reduction in the number of companies required to refer to our review in the annual report and accounts in which they make a change to a significant aspect of reporting following our enquiries. We had 14 required references this year (2024/25: 18; 2023/24: 26).

The top five areas where we asked substantive questions were:	Companies should ensure that ...
1. Cash flow statements **2. Financial instruments** **3. Impairment of assets** **4. Fair value measurement** **5. Revenue**	• the classification of cash flows is carefully reviewed • sufficient disclosures are provided about key inputs and assumptions in impairment testing • accounting policies are company-specific and include all material and relevant information • there is a sufficiently robust review process to identify common technical compliance issues

We highlight insights on selected other issues that can enhance the quality and clarity of reporting, including provisions and contingencies, control and sustainability.

Considering the annual report and accounts, as a whole, we expect companies to ensure that ...

effective oversight and control is maintained when AI is used in the corporate reporting process

the annual report and accounts, as a whole, tell a consistent and coherent story throughout the narrative reporting and financial statements and are **clear, concise and understandable**

the strategic report includes a **fair, balanced and comprehensive** review of the company's development, position, performance and future prospects

sufficient assessment and preparation is undertaken for any **upcoming changes in reporting standards**

findings from our **thematic review reports** are considered, to the extent they are relevant to a company's activities or sector

We have seen a significant increase in the number of complaints about specific corporate reporting matters this year. We have included guidance to help complainants provide the information needed for us to pursue the matters effectively.

For more about the FRC's work on corporate reporting see our factsheet:
Corporate Reporting Review: supporting high-quality corporate reporting in the UK

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