The corporate world really does not get country-by-coun...

Published: January 12, 2026, 9:20 pm

The corporate world continues to show that it does not get country-by-country reporting following Monday's approval of plans to advance its development in the UK. This reaction in the FT is typical:

Rebecca Reading, international tax partner at RSM, an accountancy firm, said countries that went further than what had been agreed by the OECD risked "alienating others and putting their future co-operation in doubt". She said the risk was particularly acute with regards to the US.

First, a tax partner gave the reaction. Rather bizarrely, accounting firms still think country-by-country reporting is a tax issue when it is about the supply of accounting data. There is no-one on earth that thinks companies will be taxed on country-by-country reporting data. It was never designed for that purpose, and I am the person most able to say that with confidence. This was always meant to be accounting data that was to be the basis for a risk assessment that would change corporate behaviour. It did not matter who did the risk assessment, I reasoned: whether it was a tax authority, investors or civil society the outcome would be the same, which was that companies would back away from tax haven abuse if their use of these places was exposed. And risk is what accounting data is meant to expose. The accounting firms either do not get this or are still in deliberate denial that this is an accounting and not a tax issue.

Second, they're assisted in this denial by the continuing refusal of the International Accounting Standards Board to engage with what is now the single biggest issue in world accounting. This suggests that the confusion in RSM is not by chance, but is deliberate and part of a plan. The accounting elite suggest that country-by-country reporting is just a tax issue of a concern to civil society and tax authorities and so not an accounting issue they need engage with. They know that's not true. They know country-by-country reporting completely transforms the way the world would see global corporations. They know it rewrites the rules on globalisation itself. But they are still in denial on it, which is why the EU should end the IASB's funding, precisely because it is not in any way fulfilling its public duty mandate.

And third, the FT happily joins in with this. The view is not challenged. It is accepted that the US view of tax may dictate the data needed in European markets to determine the risks investors and others face and no challenge is offered.

There is a conspiracy in the accounting profession on this issue, but they have to decide sometime soon on which side they stand. Will they do their public duty or will they lose their privileged status as supposed standard setters? I do not think they can continue their conflicted position for much longer.

It's time for a debate. Maybe the ICAEW would like to stage it?