



## Minutes of the QCA Financial Reporting Expert Group

Held on: Tuesday 14 March 2017

Venue: Smith & Williamson, 25 Moorgate, London, EC2R 6AY

(Host: Matthew Howells)

### Present:

Matthew Stallabrass (Chairman)	Crowe Clark Whitehill	MS
Matthew Howells	Smith & Williamson	MH
Neil Armstrong		NA
Edward Beale	Western Selection Plc	EB
Jonathan Compton	BDO LLP	JC
Rochelle Duffy	PKF Littlejohn LLP	RD
David Hough	RSM	DH
Gary Jones	Grant Thornton LLP	GJ
Tim Ward	Quoted Companies Alliance	TW
Callum Anderson (minutes)	Quoted Companies Alliance	CA

### In attendance:

Anna Colban	Financial Reporting Council	AC
-------------	-----------------------------	----

---

## 1. WELCOME TO ANNA COLBAN, FINANCIAL REPORTING COUNCIL

MS welcomed AC to the meeting. AC noted that the FRC had published an update on the smaller companies project in June 2016. AC briefly summarised the feedback that the FRC had received on two areas: education and training; and developing a practice aide for audit committees to help them assess the adequacy of their finance processes.

Regarding education and training, AC noted that much of the feedback strongly advocated the use of webinars as the best method of conveying information in a short, clear manner. The Expert Group agreed that webinars were a useful tool in delivering complex information in an accessible way, especially to those outside of London. The Expert Group also suggested that a simple one-page infographic could also supplement webinars.

AC and the Expert Group exchanged views with regards to how companies were preparing for the new IFRSs due to be coming into effect in 2018. There was consensus that the smallest companies would find it extremely challenging to accommodate the new standards that will be fundamentally changing the nature of accounting. TW noted that smaller companies would greatly benefit from a transitional period for some of these requirements.

Furthermore, AC noted that the FRC was working alongside the QCA, among others, on the development of the practice aide for audit committees. She noted that the FRC was currently trying to understand whether there were any existing guidelines already available. She added that the next stage of the process would be to determine what type of aides would be most suitable and appropriate for finance directors.

AC briefly highlighted the Annual Corporate Reporting Review findings. The Expert Group noted an improvement in the format of the report, which made it easier to follow.

AC left the meeting.

## 2. APOLOGIES

Apologies were received from Amy Shephard and Lisa Vainio.

## 3. MINUTES OF LAST MEETING (24 January 2017)

The minutes were approved.

## 4. ISSUES FOR DISCUSSION

	ITEM	ACTION
a)	<b>Brexit</b>  TW briefly summarised the work the QCA is undertaking regarding Brexit. He explained that the QCA had been meeting with the relevant government departments to ascertain what kind of input is being sought from stakeholders.  He noted that the QCA board was conducting preparatory work regarding the needs of AIM companies in a post-Brexit environment. He added that any input from the Expert Group would be warmly welcomed.	None to note

## 5. COMMUNICATIONS AND FUTURE MEETINGS

	ITEM	ACTION
a)	<b>Europe Economics impact assessment for EFRAG on IFRS 16</b>  This was tabled for information only and was not discussed.	None to note.
a)	<b>Policy Update (February 2017)</b>  This was tabled for information only and was not discussed.	None to note.
b)	<b>Guest invitations to future meetings</b>  This was not discussed.	None to note.

## 6. NEXT MEETING

Tuesday 6 June 2017, 4.30pm – 6.00pm, with Andrew Watchman, CEO of EFRAG, as guest (Venue: Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG (Host: Gary Jones)).