

Present:

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| Matthew Howells (Deputy Chairman) | MH |
| Neil Armstrong | NA |
| Edward Beale | EB |
| Jonathan Compton | JC |
| Rochelle Duffy | RD |
| Amy Shephard | AS |
| Andrew Westbrook | AW |
| Maria Gomes | MG |
| Callum Anderson (minutes) | CA |

In attendance:

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| Anthony Appleton | AA |
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ACTIONS

1. Apologies

Apologies were received from Matthew Stallabrass, Joseph Archer, Donna Caira, Anthony Carey, Thin Chambers, Gary Jones, Alan Newman and Tim Ward.

2. Minutes of the last meeting (15 March 2016)

The minutes were approved.

3. Key discussion items:

| | Item | Action by FREG |
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| a) | <p>Feedback on FRS 102 to inform its future development (RD: 31 October 2016)</p> <p>MH explained the content of the consultation, highlighting Sections 9, 15 and 16. He mentioned that, as this was part of the FRC's triennial review, it would be accepting comments throughout this period. AA mentioned that any comments provided would be used to inform the development of proposals for changes to accounting standards and that they would be the subject of a formal consultation in October 2017.</p> <p>The Group agreed not to provide any comments to the FRC at this stage. The Group will await the publication of the Exposure Draft in 2017 and submit a response then.</p> | None at this stage |
| b) | <p>FRC responds to FAQs on ESMA Alternative Performance Measures Guidelines</p> <p>MH explained that the guidelines had been developed to provide clarifications and address the issue of reporting duplications in the annual report and the segmented report. The Group commented that</p> | None to note |

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| | <p>many preparers were not aware that the previous set of guidelines (issued by the Committee of European Securities Regulators in 2005) existed.</p> <p>AA pointed out that the guidelines were addressed to all companies and that many EU Member State regulators had requested uniformity on alternative performance measures.</p> | |
| c) | <p>European Commission publishes 'Capital Markets Union: First Status Report' (Pages 7-8 & 10)</p> <p>MG explained that the Commission had published its first status report on its Capital Markets Union agenda, highlighting the Commission plan to explore the possibility of developing a voluntary tailor-made accounting solution for companies admitted to trading on SME Growth Markets with the IASB. She explained that this would be discussed at the upcoming IASB roundtable on 6 July.</p> | None at this stage |

4. COMMUNICATIONS AND FUTURE MEETINGS

| | Document | Action by FREG |
|----|---|--|
| a) | <p>IASB Roundtable (Wednesday 6 July 2016, 9.00am – 10.30am)</p> <p>MG explained that, in addition to the point made in 3c), the meeting would give attendees the chance to learn about the IASB's future agenda and discuss the support needed to implement new Standards.</p> | None to note (for information only) |
| b) | <p>Policy Update (May 2016)</p> <p>This was not discussed; the document was circulated for information only.</p> | None to note |
| c) | <p>Guest invitations to future meetings</p> <p>It was suggested that Anna Colban could come to speak to the Group to discuss the developments of the FRC's smaller companies project. The Group also suggested inviting the London Stock Exchange to come discuss accounting requirements in AIM Regulation.</p> | MG/Patricia Silva to invite guests to future meetings |

5. A.O.B.

AA explained that EFRAG were conducting fieldwork regarding IFRS 16 *Leases*, with particular emphasis on the definition of a 'lease' and whether preparers can apply the Standard. Group members available to help should contact Andrew Watchman or Françoise Flores for more information.

6. Date of next meeting

Tuesday 20 September 2016, 4.30pm (Venue: Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU).