

Present:

Matthew Stallabrass (Chairman)	MS
Edward Beale	EB
Donna Caira	DC
Anthony Carey	AC
Anna Draper	AD
Jack Easton	JE
Matthew Howells	MH
Nigel Smethers	NS
Amy Shepheard	AS
Tim Ward	TW
Maria Gomes (minutes)	MG

In attendance:

Alan Newman	(QCA Board)	AN
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ACTIONS**1. Apologies**

Apologies were received from Joseph Archer, David Gray, David Pugh, Jonathan Lowe, Nick Winters, Anthony Appleton and Kate Jalbert.

2. Minutes of the last meeting (17 March 2015)

The minutes were approved.

3. Key discussion items:

- **EFRAG requests comments on its draft endorsement advice on the Amendments to IFRS 10, IFRS 12 and IAS 28**

The Group agreed not to respond to this consultation as it is not relevant for our constituency.

- **EFRAG's assessments on IFRS 9 Financial Instruments – Invitation to comment**

The Group commented that the FRC would be hosting an event on 22 June with stakeholders on this consultation, to discuss and help inform their response. MH volunteered to let MG know if there is any aspect of this consultation with relevance for our constituency.

MH/MG

- **IASB consultation on IFRS 15 – proposal to defer effective date of revenue standard**

MS commented that this consultation would merit a short response by the QCA, agreeing with the proposal to defer effective date of revenue standard. He added that this is due to the level of detail required by the US GAAP, which led the IASB to delaying the effective date by a year to try and resolve the position.

AN added that, from the companies' perspective, a delay is welcome to ensure that the rules are implemented correctly instead of poorly.

- **FRC Consultation - Providing Assurance on Client Assets to the Financial Conduct Authority Consultation on a new Assurance Standard**

The Group agreed not to respond to this consultation as it is not relevant for our constituency.

- **FRC Smaller Listed and AIM Company Reporting Project: findings and proposals**

MS mentioned that the FRC would launch this report at an open meeting on 9 July, where he would be in the panel.

AN questioned whether the QCA should produce reporting guidance or provide examples of good practice. MS commented that reporting guidance templates tend to be lengthy and comprehensive and thus it would not be useful for the QCA to produce them. TW suggested that one possibility would be to do an end of season review by providing links to examples of good reports on particular hot topics for smaller companies.

MS proposed that this is discussed with the QCA Corporate Governance Expert Group, since it would be important to tie this to the QCA Corporate Governance Code. The Group agreed to form a smaller working group with members of the Corporate Governance Expert Group to work together on the themes we could address next year.

MS/MG

MS suggested that a starting point could be the six areas of investor focus pointed out by the FRC report on Smaller Listed and AIM Company Reporting (p 11).

Regarding the FRC report, MS stressed that we should be submitting a response welcoming the FRC's approach and requesting that more prominence is given to the QCA Code as it has become a reference for small and mid-size quoted companies.

MG added that the response to this consultation will be circulated for comments to the Financial Reporting and Corporate Finance Expert Groups and encouraged the Group to submit their views on the response.

ALL/MG

- **FRC consultation on the Audit Firm governance code**

The Group agreed not to respond to this consultation as it is not relevant for our constituency.

- **IASB Exposure Draft – Conceptual Framework for financial reporting**

MS commented that this would be a very important consultation for the QCA to submit a response. He added that, in general, we should welcome the changes in language.

MS suggested that this consultation is added as key item for discussion on the agenda for our next Financial Reporting Expert Group meeting in September. He encouraged the Group to read the consultation paper over the summer and be ready to provide detailed comments to help inform our response.

ALL

MS added that it would be interesting to hear members' views on this matter as well. He suggested circulating a survey in September targeting finance directors of quoted companies to find out their particular views on the points that the Group has identified.

ALL/MG/Kate Jalbert

- **Corporate Reporting Charter**

This was not discussed.

4. Communications/Future Meetings

- **IASB issues limited amendments to the IFRS for SMEs**

This was not discussed.

- **IASB forum for the discussion of issues faced by small and mid-cap companies - 2 July 2015**

MS explained that this event is being held as part of IASB's wider engagement with preparers of financial statements. MS added that the IASB is keen to meet small and mid-cap quoted companies to help understand their experience of applying IFRS and to discover what areas small and mid-cap quoted companies would like to see the IASB focus upon, and he encouraged the Group to invite their clients to attend.

- **IASB's leases project - FRC Call for further information**

This was not discussed.

- **FRC's response to the European Commission Consultation on Capital Markets Union**

This was not discussed.

- **FRC's Plan and Budget for 2015/2016 – For information only**

This was not discussed.

- **FRS 104 'Interim Financial Reporting' – For information only**

This was not discussed.

- **Policy Update Briefing (May 2015) – For information only**

This was not discussed.

- **Guests for future meetings**

This was not discussed.

5. A.O.B.

AC mentioned one of the Financial Reporting Lab's most recent projects: 'Corporate reporting in a digital world'. The report covers investors' views on digital communication used by companies in their

corporate reporting. He commented that having PDFs on screen results in investors looking at other more interesting areas.

AC mentioned that another recent Lab project could be very useful for the QCA members: the Lab project report on the implementation study on Reporting of Audit Committees. The study considered how well 34 companies from across the FTSE 350 have implemented investors' preferences highlighted in the Lab's original report.

AC suggested to write an article for the QCA website on the Financial Reporting Lab and its most recent projects.

AC

6. Date of next meeting

Tuesday, 22 September 2015, 16:30 – 18:00 (Venue: Grant Thornton UK LLP, 30 Finsbury Square, London)

7. Action Points

Action	Person	Timetable
Consider response to IFRS 9 Financial Instruments	MH/MG	ASAP [this has now been done; it was decided not to submit a response]
Discuss ideas on QCA working group on reporting issues with members of the Corporate Governance Expert Group	MS/MG	ASAP
Circulate the response to FRC Smaller Listed and AIM Company Reporting Project and submit comments	MG/ALL	ASAP (before 31 July 2015) [this has now been done]
Read the consultation paper IASB Exposure Draft – Conceptual Framework for financial reporting and provide detailed comments to help inform our response	ALL	ASAP (before meeting of 22 September)
Circulating a survey in September targeting finance directors of quoted companies on the IASB Exposure Draft – Conceptual Framework for financial reporting	ALL/MG/Kate Jalbert	ASAP (by mid-September)
Draft article for the QCA website on the Financial Reporting Lab	AC	ASAP