

## **Meeting of the QCA Primary Markets Expert Group**

**To be held on:** Tuesday 26 February 2019, 5.00pm – 6.30pm

**Venue:** Grant Thornton UK LLP, 30 Finsbury Square, London, EC2A 1AG



### **AGENDA**

**1. Welcome to Jim Moran, Head of Listing Transactions at the Financial Conduct Authority as guest speaker**

**2. Apologies**

**3. Issues for discussion**

- a) Announcement of the new Primary Markets Expert Group Chair and thank you to the outgoing Chair
- b) London Stock Exchange's attitude toward Qualified Executive's
- c) Treasury Committee Inquiry: The future of the UK's financial services inquiry
- d) ICAEW consultation: Guidance for preparers of prospective financial information
- e) Future meetings and speaker priorities for 2019

**4. Communications (information only)**

- a. QCA review of which corporate governance codes AIM companies follow found that:
  - i. 89% follow the QCA Corporate Governance Code (823 companies)
  - ii. 6% follow the FRC's UK Corporate Governance Code (55 companies)
  - iii. 4% follow the code of another country or territory (34 companies)
- b. The QCA/Peel Hunt Mid and Small-Cap Investor Survey was published in February. Some of the key findings include:
  - i. 62% of investors report that there is less research being produced on small and mid-caps since MiFID II came into effect.
  - ii. 86% of investors expect there to be fewer broking houses in the next 12 months as a result of MiFID II.
  - iii. Companies are taking action – 90% say they either have, or plan to, develop their corporate website to improve visibility to investors. Investors say that holding a capital markets day is the best way to improve visibility.
- c. The results of the QCA's Small & Mid-Cap Sentiment Index for H2 2018 were released in December. Findings included:

- i. Small and mid-caps remain optimistic about their own prospects - 74% expect to increase the number of employees in the next 12 months
  - ii. 47% of small and mid-caps plan to raise capital in the next 12 months
  - iii. 67% of companies and 72% of advisors believe the new AIM Rule 26 (requiring companies to adopt a recognised corporate governance code) will improve the integrity of AIM.
  
- d. The project for updating the QCA Committee Audit Guide is progressing and is on course for release in the first half of this year.
  
- e. Henley Business School have been commissioned by the QCA and Downing LLP to undertake a research project to understand the role that NEDs play in smaller, growth companies. They are currently in the process of collating the findings from the interviews and focus groups they conducted and will be released in the first half of this year.

## **5. Any Other Business**

**Next Meeting:** Monday 10 June 2019, 6.30pm – 9.00pm, Bleeding Heart Restaurant, 3 Bleeding Heart Yard, London, EC1N 8SJ (TBC)