

Meeting of the Secondary Markets Expert Group

To be held on: Wednesday 10 July 2019, 2.00pm – 3.30pm

Venue: Peel Hunt LLP, Moor House, 120 London Wall, London, EC2Y 5ET



AGENDA

1. **Welcome to Helen Boyd, Babatunde Carew and Reena Dattani of the FCA, as guest speakers to discuss regulation that can be made proportionate to the size of the company and measures to ensure that new market entrants or smaller companies are not subject immediately to the full panoply of primary and secondary market Rules/Directives/Regulation/Governance.**
2. **Apologies**
3. **Minutes of the last meeting (23 January 2019)**
4. **Issues for discussion**
 - a) AIM Disciplinary Notice 22 and Oozi Cats
 - b) Future meetings and speaker priorities for 2019
5. **Communications – information only**
 - a) The results of the biannual QCA/YouGov *Small & Mid-Cap Sentiment Index* has been published. The latest edition reveals that small and mid-cap companies remain positive about their own prospects, despite this optimism being at its lowest point since 2012. Many companies cite Brexit and political uncertainty as continuing to contribute to the neutral outlook on the economy. The key findings are as follows:
 - i. 76% of small & mid-caps are expecting to increase jobs, but 19% anticipate decreasing employment – up from 10% six months earlier.
 - ii. 37% of surveyed companies are planning to raise capital - down from 47% when asked six months earlier.
 - iii. Companies predict average sales growth of 17%, down from 19.2% a year earlier.
 - b) The project for updating the QCA Audit Committee Audit Guide is progressing and is on course for release over the summer.
 - c) YouGov are surveying companies that adopted the QCA Corporate Governance Code to identify any ways in which we might be able to improve the Code and see if we can find evidence that following the QCA Code has helped companies. This will be published over the summer.

- d) 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. The results are planned to be released in September.

6. Any Other Business

Next Meeting: Wednesday 4 September 2019, 4.30pm - 6.00pm (Venue: finnCap, 60 New Broad Street, London, EC2M 1JJ)