

Present:

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| Matthew Stallabross (Chair) | Crowe Clark Whitehill | MS |
| Anthony Appleton (Deputy Chair) | BDO LLP | AA |
| Jack Easton | UHY Hacker Young LLP | JE |
| Joseph Archer | Crowe Clark Whitehill | JA |
| Matthew Howells | Smith & Williamson | MH |
| Jonathan Lowe | Baker Tilly | JL |
| Edward Beale | Western Selection Plc | EB |
| Tim Ward | The Quoted Companies Alliance | TW |
| Kate Jalbert | Quoted Companies Alliance | KJ |

ACTIONS

1. Apologies

Apologies were received from Anthony Carey, Peter Chidgey, David Gray, Niraj Patel, Nigel Smethers, Chris Smith, Ian Smith/Bill Farren, Nick Winters and Thin Chambers.

2. Minutes of the last meeting (11 June 2013) - The minutes were approved.

3. Key discussion items:

- IFRS Foundation – Leases Exposure Draft (RD: 13 September 2013)** – MS opened with the comment as to what line to take in relation to the draft. The overall response was that the proposed standard was a confused draft which would not assist users in their understanding of the financial statements and would contribute to excessive and onerous disclosures. As a result the consideration was that the draft standard should be challenged and the response should comment on the process, the onerous disclosure requirements and the pitfalls of the draft standard. However, it was also stated that the needs of users could be achieved by linking current lease disclosures into IFRS 7 disclosures and, whilst this may be imperfect, they are commonly understood and preferred to the current proposal. It was also agreed to consider the potential for a press release on this matter. MS will finalise the draft response and circulate it for comment. **MS/KJ**
- ESMA Consultation Paper: ESMA Guidelines on enforcement of financial information (RD: 15 October)** – The group agreed that it would be more appropriate for the Legal Expert Group to respond on this matter. EB noted that he would be willing to share views on it with someone on the Legal Expert Group.
- ICAS: Balanced and reasonable: A discussion paper on the provision of positive assurance on management commentary (RD: 31 October 2013):** It was considered more appropriate to consider this at the next meeting after James Barbour’s talk which is expected to cover this matter.
- FRC Invitation to comment on IAASB Exposure Draft (July 2013): Reporting on Audit Financial Statements: Proposed New and Revised International Standards on Auditing (ISAs) (RD: 1 November 2013)** – It was noted that an issue has been created with ISA 700 being different to the draft. The group considered it appropriate to draft a short response to the FRC to state not to rush into anything but ensure cohesion. Jack Easton volunteered to draft something. **JE**

- **IAASB Exposure Draft (July 2013): Reporting on Audit Financial Statements: Proposed New and Revised International Standards on Auditing (ISAs) (RD: 22 November 2013)** – This paper is linked to comment above. It was agreed that no response was required at the moment.
- **IFRS Foundation: A review of the Conceptual Framework for Financial Reporting (RD: 14 January 2014):** AA noted that he would be willing to highlight key issues in this and assist with producing a draft response. It was agreed to consider this at the November or December meeting. **AA**

4. Communications/Future Meetings

- **Narrative Reporting changes:**

KJ noted that the FRC has just released a consultation on guidance on the strategic report and she will circulate it to the group.

- **Audit Committee Guide Working Group:**

MS noted that the group is having a meeting with Audit Committee Chairmen from QCA member companies mid-September to discuss what key issues should be included in the guide.

- **Current Policy Update (16 August 2013) (for information only):**

TW noted that the QCA is preparing its Budget proposals and asked expert group members to provide any examples they have on tax complexities. **ALL**

- **Guests for future meetings – James Barbour, ICAS, attending next meeting:**

This was not discussed.

- **10 December Meeting – Christmas Luncheon:**

This was not discussed.

- **Proposed dates for 2014:**

This was not discussed.

5. A.O.B.

- **Extractive Industries** – AA commented on the reporting changes that fully listed extractive industry companies will be required to disclose concerning payment made to governments and that 2015 could be the implementation date. It was noted that industry will probably lead the way as presently no guidance has been issued. This may be something to consider at a later stage.

6. Date of next meeting

- 4.30pm 15 October 2013 – BDO LLP

ACTION POINTS

| Action | Person | Timetable |
|---|---------------|--------------------------------------|
| Finalise the draft response to IFRS Lease Foundation – Leases Exposure Draft | MS | ASAP (RD: 13 September 2013) |
| Consider a press release about the IFRS Foundation's Leases Exposure Draft | KJ | ASAP |
| Draft a response to the FRC Invitation to comment on IAASB Exposure Draft | JE | ASAP (RD: 1 November 2013) |
| Review and consider a draft response to IFRS Foundation Conceptual Framework Review | AA | For the November or December meeting |