

Present:

Matthew Stallabrass (Chair)	Crowe Clark Whitehill	MS
Matthew Howells	Smith and Williamson	MH
Anthony Carey (Host)	Mazars	AC
Joseph Archer	Crowe Clark Whitehill	JA
Jonathan Lowe	Baker Tilly	JL
Tim Ward	Quoted Companies Alliance	TW
Kate Jalbert	Quoted Companies Alliance	KJ
Vinesh Maheshwari	EY	VM

ACTIONS

1. Apologies

Apologies were received from Jack Easton, Bill Farren, Ian Smith and Anthony Appleton.

2. Minutes of the last meeting (10 December 2013) - The minutes were approved.

3. Key discussion items:

- **FRED 51 Draft Amendments to FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland Hedge Accounting (RD: 14 February 2014)** – The group was broadly supportive. However it was noted that there are concerns from the Tax Expert Group and the implications this could have on tax obligations. MS was to follow up on this point. The approach appears reasonably logical and no material concerns are noted. It was noted that the examples included were rather simplistic and could be extend. MS will draft a response to this and circulate it for comment.

MS

- **FRC Draft Plan and Budget 2014/15 (RD: 28 February 2014)** – It was noted that FRC is seeking to improve reporting amongst small and mid-size quoted companies. AC stated at meetings attended, whilst the focus remains on the FTSE 350, the FRC are concerned with the integrity of the whole system and there is a move to seek increased enforcement of matters for smaller companies. Overall, it was noted though that this needs to be proportionate and it would be helpful for the FRC to indicate what are the common errors found in reports so that the smaller companies with less resources can act appropriately. Additionally it was mentioned that any increases in the budget need to be justified as many outsiders would say that the quality of reporting in the UK is high and query whether increases in the budget are required. AC is going to draft a response and circulate it for comment.

AC

- **FRED 53 Draft Amendments to FRS 101 – Reduced Disclosure Framework (2013/14) (RD: 21 March 2014)** – It was agreed that the group would submit a brief response supporting the amendments to FRS 101. KJ will draft a response and circulate for comment. In addition it was noted that it appears that there has not been a huge take up of companies seeking to adopt FRS 101 and therefore that it may be useful as to why this was the case and whether or not the FRC were considering this key question.

KJ

The group also discussed whether FRS 102 could be adopted for AIM companies. It was noted that parties are willing for this to happen, but that this point has not been included in any current consultation. It was noted that a letter to AIM should be drafted on this subject with a focus on the need to get proportionate reporting requirements. TW noted the AIM team are planning a consultation later in the year and suggested that this point should be included in it.

- **EFRAG/ANC/FRC – The role of the business Model in Financial Statements (RD: 31 May 2014)** – The group discussed that there is currently no definition of the Business Model which may lead to application issues. However, it was noted that this is recognised as a point which needs resolution. Overall the group agreed that it was broadly supportive of the consultation, as could lead to more joined up reporting. But, questions around comparability need to be addressed. JA will draft a response and the group will discuss this in more depth at the April meeting. **JA**

4. Communications/Future Meetings

- **Expert Group Priorities for 2014** – The group agreed that focusing on FRS 102 and its use by AIM companies was a good idea for the upcoming year. It was recognised that the group needs to discuss this with the AIM team and also investors.
- **Policy Update Briefing (13 January 2014)** – This was for information only.
- **Guests for future meetings** – There were requests for someone from the EU, the return of James Barbour and Sue Harding. **Chris Stapeley/KJ**

5. A.O.B.

- TW noted that companies had been put forward for the IFRS Foundation’s Global Preparers’ Forum, but that they had been rejected on the grounds that the companies put forward were too small. The group agreed that this was frustrating as makes it difficult to get the relevant points across if entities of a certain size are excluded from the forums where their voice can impact decisions.

6. Date of next meeting

- 4.30 pm Tuesday 18th March 2014 – Crowe Clark Whitehill LLP

7. Action Points

Action	Person	Timetable
Draft a response to FRED 51 Draft Amendments to FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland Hedge Accounting	MS	ASAP (RD: 14 February 2014)
Draft a response to FRC Draft Plan and Budget 2014/15	AC	ASAP (RD: 28 February 2014)
Draft a response FRED 53 Draft Amendments to FRS 101 – Reduced Disclosure Framework	KJ	ASAP (RD: 28 February 2014)
Draft a response to EFRAG/ANC/FRC – The role of the business Model in Financial Statements	JA	ASAP (RD: 31 May 2014)