

Present:

Fiona Bell (Chairman)	RSM	FB
Barbara Allen	Stephenson Harwood	BA
Emma Bailey	Fox Williams	EB
Karen Cooper	Osborne Clarke	KC
Jared Cranney	ISG PLC	JC
Paula Hargaden	Burges Salmon	PH
Liz Hunter	Mazars LLP	LH
Colin Kendon	Bird & Bird LLP	CK
Shofiq Miah	Fox Williams LLP	SM
Graham Muir	Nabarro LLP	GM
Isabel Pooley	Grant Thornton UK LLP	IP
Robert Postlethwaite	Postlethwaite & Co	RP
Jennifer Rudman	Equiniti	JR
Nicholas Stretch	CMS Cameron McKenna LLP	NS
Theresa Wallis	LiDCO Group PLC	TW
Tim Ward	Quoted Companies Alliance	TWa
Callum Anderson (minutes)	Quoted Companies Alliance	CA

In Attendance:

Philip Fisher	BDO LLP	PF
Samantha Lenox	PricewaterhouseCoopers LLP	SL
Hasmukh Dodia	HMRC	HD
Tom Rollinson	HMRC	TR

1. WELCOME TO HASMUKH DODIA AND TOM ROLLINSON, HMRC

FB welcomed HD and TR to the meeting.

HD explained the updates on the ERS online service to the Group. He mentioned that the templates currently available on the government website will work for both the 2014/15 and 2015/16 tax years. He commented that there are no changes to the templates for the CSOP, SAYE and SIP returns. In addition, HD mentioned that the questions for the EMI have been reordered for clarity. HD highlighted a couple of questions that had been amended to provide additional clarity and explained that guidance accompanying the templates had been expanded to take these changes into consideration. However, users still have to go to the ERS manual to check what is reportable.

With regards to amending incorrect returns, HD explained that the schedule of annual returns will show 'first submitted return' and 'last submitted return'; this indicates whether amendments have been made (otherwise they will show the same date). HD emphasised that the only way to amend a return is to resubmit the whole return again.

HD mentioned that, in the event of ceasing a scheme, companies must still provide a fictional 'date of final event'. Subsequently, a nil return will be submitted. He informed the Group that if their clients have forgotten both their user ID and password, then they must phone HMRC helpline number. However if only one piece of information is missing, they can retrieve part online.

HD and TR acknowledged that it could be useful for there to be an additional webpage to give companies the opportunity to retain their submission for their own records. They explained that they would discuss this option internally.

2. APOLOGIES

Apologies were received from Danny Blum, Anika Chandra, Stephen Chater, Sara Cohen, Rory Cray, Andy Goodman, David Firth, David Fuller, Maria Gomes, Caroline Harwood, Michael Landon, Justin McGilloway, Amanda Stapleton and Mia Thursby-Pelham.

3. MINUTES OF THE LAST MEETING (11 February 2016)

The minutes were approved.

4. CURRENT ISSUES/CONSULTATIONS

	Document	Action
a)	<p>Update on the QCA Share Plans Booklet</p> <p>FB explained that progress on the Booklet had been held back due to the pending publication of the updated QCA Remuneration Committee Guide. FB has received a draft of the Guide and she will now assess where the Booklet needs to be updated to be harmonised with the Guide.</p>	<p>FB to identify areas of the Booklet to be updated.</p>
b)	<p>Budget 2016</p> <p>GM noted that the Employee Shareholder Status, as currently stated in Finance Bill 2016, disapplies the rollover rules.</p>	<p>None to note.</p>
c)	<p>QCA meeting with HMRC to discuss post-transaction share valuations</p> <p>FB explained that HMRC invited the QCA to a meeting after our letter on the concerns with the removal of the ITEPA Post-Transaction Valuation (PTVC) and PAYE Health Checks. She explained that HMRC confirmed that although it has removed the service, HMRC was highly unlikely to take action against companies whose valuations indicated small errors. Instead, the removal of the service was focussed on discouraging companies from disclosing valuations that represented large discrepancies with the real value.</p>	<p>None to note.</p>
d)	<p>Update on treasury shares and AIM rules</p> <p>FB explained that AIM Rule 21 is being amended to match with the Market Abuse Regulation (MAR). TWa mentioned that companies will be required to have a new dealing policy compatible with the regulations so the old derogation of being able to deal after the publication of preliminary results will no longer apply.</p>	<p>None to note.</p>

e)	<p>HMRC Consultation: Employee Share Schemes: NIC Elections</p> <p>FB explained the content of the consultation. The Group decided that it would submit a response stating that NIC elections provided no benefits, so supported their abolition. FB stated that she would add an additional sentence in regards of the impact on the Exchequer.</p>	<p>CA / MG / FB to draft response.</p> <p>CA to circulate to the Group</p>
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5. COMMUNICATIONS/FUTURE MEETINGS

	Document	Action
a)	<p>Finance Bill 2016</p> <p>This was tabled for information and was not discussed.</p>	None to note.
b)	<p>HMRC updates share schemes annual return templates and guidance</p> <p>This was covered in 1).</p>	None to note.
c)	<p>ERS online service for 2015-16 returns</p> <p>This was covered in 1).</p>	None to note.
d)	<p>Policy Update – February 2016</p> <p>This was tabled for information and was not discussed.</p>	None to note.
e)	<p>Invitations to future meetings</p> <p>This was tabled for information and was not discussed.</p>	None to note.

6. AOB

	Topic	Action
a)	<p>Mandatory Gender Pay Gap Reporting</p> <p>EB drew attention to a consultation – Mandatory Gender Pay Gap Reporting - held by the Government Equalities Office (GEO) in February-March 2016. FB, EB and PH led the discussion regarding the cash equivalent value of shares on the date of payment. The Group decided that it would write to the GEO to seek clarification on how it thinks this should be valued and reported.</p>	<p>FB / EB / PH to examine this issue in more detail and draft a letter to GEO.</p>

7. Date for next meeting:

4pm, Thursday 14 July 2016 (RSM, 25 Farringdon Street, London EC4A 4AB – Host: Fiona Bell/Simon Adams)