

Meeting of the QCA Tax Expert Group

To be held on: Wednesday 5 June 2019, 9.00am – 10.30am

Venue: Crowe UK LLP, St Brides House, 10 Salisbury Square, London, EC4Y 8EH



AGENDA

- 1) Welcome to Chloe Evenson, Head of Tax Simplification and Small Business Tax at HM Treasury, to talk about the Treasury's current priorities and any issues relevant to smaller companies.**
- 2) Apologies**
- 3) Minutes of the last meeting (6 March 2019)**
- 4) Issues for discussion and noting**
 - a) 2019 Budget proposals preparations
 - i) Approach to proposals
 - ii) QCA member questionnaire
 - b) Future meetings and speaker priorities
- 5) For information only**
 - a) The QCA, together with Thomson Reuters Practical Law, surveyed QCA members to find out how small and mid-size companies, as well as their advisers, have found the Market Abuse Regulation (MAR) in practice. The key findings are as follows:
 - i. Delaying disclosure of inside information. 57% have delayed disclosure of inside information.
 - ii. Copy of insider list to FCA. 14% have been asked by the FCA for a copy of their insider list.
 - iii. Dealing code. 79% have adopted a code that is largely based on or is similar to the ICSA/GC100/QCA code or have adopted such code pretty much wholesale, with minimal amendments, and 21% have adopted a completely bespoke code.
 - b) A new report that analyses the contribution of small and mid-size quoted companies was publicised by Hardman & Co. and the QCA at the beginning of May. The report analyses the contribution that these companies make to the market, employment and tax. The key findings are as follows:

- i. Small and mid-size companies account for 93% of all companies on UK public equity markets, but just 20% of market capitalisation;
 - ii. They employ over 3 million people - an estimated 11% of total UK private sector employment; and
 - iii. Contribute over £26bn in taxes - about 5% of total UK tax take.
- c) The project for updating the QCA Audit Committee Audit Guide is progressing and is on course for release over the summer.
- d) 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.
- 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. The results are planned to be released in September.

6) Any Other Business

Next Meeting: Wednesday 18 September 2019, 9.00am – 10.30am (Venue: Crowe UK LLP, St Brides House, 10 Salisbury Square, London, EC4Y 8EH)