



The Quoted
Companies Alliance

Minutes of the Financial Reporting Committee Meeting

held on Tuesday 26 July 2011 at 11:30am at
RSM Tenon Group PLC, 66 Chiltern Street, London W1U 4JT

Present:

(In the Chair)	Anthony Carey	Mazars LLP	AC
	Peter Chidgey	BDO LLP	PC
	Jack Easton	UHY Hacker Young	JE
	Bill Farren	Baker Tilly	BF
	Matthew Stallabrass	Crowe Clark Whitehill LLP	MS
	Paul Watts	Baker Tilly	PW
	Chris Stapeley (minutes)	Quoted Companies Alliance	CS

In Attendance:	Faisal Hamid	Quoted Companies Alliance	FH
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Action

1. **Apologies/Welcome to New Members**

Apologies were received from Anthony Appleton, Ian Davies, Jonathan Ford, David Gray, Shalini Prasad, Kern Roberts and Chris Smith. Chris Stapeley attended in place of Kate Jalbert.

2. **Minutes of the previous meeting (24 May 2011)**

The minutes of the previous meeting were approved, subject to the fact that Paul Watts was listed down as attending but was in fact an apology.

3. **Quoted Companies Alliance Position – IFRS Simplification/IFRS for SMEs**

- **QCA proposals for IASB Agenda (Briefing Paper)**
- **ANC/Middlenext – paper on proportionate IFRS**

The Committee discussed the Quoted Companies Alliance's proposals and the ANC/Middlenext paper, together with the just published ICAS/NZICA report – Losing the Excess Baggage. The IFRS Foundation had, just that morning, issued their consultation paper on its future work programme. It was felt that the ICAS/NZICA report (which had been commissioned by the IASB) was a good basis for our proposals. It was agreed that someone needed to look at all three papers jointly to pull this together into one document for our use to discuss with the IASB. AC/TW to discuss further. **AC/TW**

- **Meeting with IASB – 12 July 2011**

AC reported on the recent meeting with the IASB. With the new Chairman in place at the IASB, the tone of the trustees seems to have changed and seem to be more open to discussion. It was felt that now was the time to engage with the IASB (particularly since their consultation paper had just been released on its future work programme) in line with our proposals above. The new Chairman, Hans Hoogervorst, has agreed to meet and host the November Financial Reporting Committee meeting.

4. **Consultation Papers/Current Issues**

- IFRS Foundation: Report of the Trustees Strategy Review: IFRSs as the Global Standard: Setting a Strategy for the Foundation's Second Decade (RD: 25 July 2011)

The Committee discussed AC's draft response to this paper. It was felt that the IASB's paper was not ambitious enough and that we should highlight this in our response. We should expand our response to the purpose of financial reporting standards and emphasise the role of proportionately. JE mentioned that the IASB was not highlighting clearly when it was going to review standards. In particular, it had mentioned that it intended to look at mineral extraction and then nothing further was heard. The Committee were also surprised at the suggested increase by c.50% to the IASB's finances. AC to amend letter. [Subsequently done and response submitted.]

- Report of Roundtable: Peter Chidgey gave a brief report of the recent roundtable he attended.
- Materiality Roundtable Follow-Up – Next Steps:

Points from the Next Steps document to be incorporated into main manifesto proposal document.

- ASB: The Future of Financial Reporting – ASB Case Studies – FREDs 43 & 44 (RD: None, comments received whenever).

No comments were made on this. No further action.

- ASB/EFRAG: Considering the Effects of Accounting Standards (RD: 21 August 2011):

CS highlighted that this paper has been published. A volunteer is need to review it.

- IFRS Foundation ED/2011/2: Improvements to IFRSs (RD: 21 October 2011)

This was not discussed. To be brought up at next meeting.

- ASB: Cutting Clutter – Combating Clutter in Annual Reports (RD: 30 September 2011):

Roger Marshall, Interim Chairman, attended the Corporate Governance Committee in July to discuss this paper and the Sharman Inquiry. AC/TW to liaise with Tim Goodman in producing a response to the Combating Clutter paper.

5. **Communications/Future Meetings:**

- IASB Update – June 2011: For information only.
- Future Meetings/Guests: It was agreed to approach Stephen Cooper of the IASB to invite to a future meeting. Also, the replacement for David Tyrrell of BIS to be invited to a future meeting.
- Proposed Dates/Venues for 2012: This was not discussed. Discuss at next meeting.
- ICAS Survey on principles-based financial reporting standards: This was not discussed but the survey has been sent to us for circulating to our members.
- Report of IASB Meeting – 12 July 2011: Reported on above.

6. **AOB:**

- Financial Reporting Laboratory Steering Group: TW advised that he had been invited to participate in the Financial Reporting Council's Financial Reporting Lab Steering Group.

7. **Date of next meeting(s)**

No meeting in August

11/11:30am Tuesday 20 September 2011 (Host: Baker Tilly)

8. **Action Points**

Action	Person	Timing
Co-ordination of QCA proposals, ANC/Middlenext proposals and the ICAS/NZICA report to be brought into one main manifesto proposal to discuss with the IASB.	TBA	August
IFRS Foundation: Report of the Trustees Strategy Review: AC to	AC	July (Done)

produce a response (RD 25 July 2011)		
ASB Cutting Clutter Project: AC/TW to liaise with Tim Goodman.	AC/TW	August/September
Future Guests: Stephen Cooper, IASB; Replacement for David Tyrrall, BIS	CS	ASAP