

**Present:**

Anthony Carey (Chair)	Mazars LLP	AC
Matthew Stallabrass	Crowe Clark Whitehill	MS
Joseph Archer	Crowe Clarke Whitehill	JA
Jack Easton	UHY Hacker Young	JE
David Gray	DHG Management	DG
Usman Hamid	Ernst & Young LLP	UH
Matthew Howells	Smith & Williamson Limited	MH
Kate Jalbert	Quoted Companies Alliance	KJ

**In attendance:**

Liz Murrall	Investment Management Association	LM
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**ACTIONS****1. Welcome to Liz Murrall, Investment Management Association**

Liz Murrall of the Investment Management Association provided an update concerning the role of the LMA. Key points mentioned were:

- the requirement for transparency in Financial Reporting and for there to be close alignment between companies and auditors to ensure that financial statements are a linked package;
- the importance of describing processes as being key in assisting in the preparation of user friendly financial statements (e.g. why there has been or not been auditor rotation); and
- the voluminous nature of the financial statements and whether or not these help or hinder investors – the key is useable information.

AC thanked LM for attending and LM left the meeting.

**2. Apologies**

Apologies were received from Anthony Appleton, Peter Chidgey, Jonathan Ford, Niraj Patel, Nigel Smethers, Chris Smith, Ian Smith, Jonathan Lowe and Edward Beale.

**3. Minutes of the last meeting (12 January 2013) - The minutes were approved.****4. Key discussion items:**

- **Actions from the IASB Meeting (6 February 2013)** – The IASB has asked the QCA to nominate a small company FD to sit on the Global Preparers Forum. It was raised that it would be helpful to enlist a strong FD of a small listed company to participate in these events and members were encouraged to think about possible candidates. **ALL**
- **Competition Commission Paper: Statutory Audit Services Market Investigation – Notice of possible remedies under Rule 11 of the Competition Commission Rules of Procedure / Summary of provisional findings (closing 15 January 2013)** – AC noted that this paper is principally an issue for FTSE 350 companies and therefore affects the QCA to a lesser degree. As no response has been drafted by the QCA in respect of this previously and in light of its target audience (not QCA) it was not considered appropriate to draft a response.

- **FRC Draft Plan and Budget 2013 (28 March 2013)** – Members agreed that the key points are in relation to materiality and corporate governance. AC is to draft a response to the plan. **AC**
- **FRC: Implementing the Recommendations of the Sharman Panel (Response date: 28 April 2013)** – KJ had discussed matter with the CBI. She noted that this is going to be onerous in its current form even for large entities let alone those smaller in size and as such it will need to be reviewed further. MS is to draft a response. **MS**
- **FRC: Consultation Paper: Revision to ISA (UK and Ireland) 700 (Response Date: 30 April 2013)** – MS stated that this is limited to the FTSE 350 at present and therefore there is a question mark over how relevant this will be to the QCA; however it will inevitably broaden and therefore the suggestion was that a response is drafted welcoming the proposal. **MS**

## 5. Communications/Future Meetings

- **FRC Financial Lab Steering Group** – AC reported that the lab is looking into Audit Reports and Audit Committee reports and they are interested in getting the views of Audit Committee members and as such if anyone knows any potential volunteers then please mention it to them.
- **ESMA: Feedback Statement – Considerations of materiality in financial reporting** – for information only.
- **Audit Quality Forum: Spotlight on Audit Committees** – It was agreed to see if anyone could attend this event.
- **Guests for future meetings** – It was agreed to invite Roger Marshall from the ASB to the next meeting. **Chris Stapeley/KJ**

## 6. A.O.B.

- **Chairman** – AC noted that he was stepping down as Chairman from the group and that MS was taking over, with AA as Deputy Chairman. MS thanked AC for all of his work.

## 7. Date of next meeting

- 4.30pm 23 April 2013 – Grant Thornton LLP

## ACTION POINTS

Action	Person	Timetable
Think of FDs who could be candidates for the Global Preparers' Forum	ALL	ASAP
Draft a response to the FRC Draft Plan	AC	ASAP (RD: 28 March 2013)
Draft a response to the Sharman Recommendations	MS	ASAP (RD: 30 April 2013)
Draft response to Revision to ISA 700	MS	ASAP (RD: 30 April 2013)