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Chairman's Comment

When campaigning on major issues, sometimes it can seem that large amounts of effort over long periods of time lead to nothing very much. But then along comes a week to make it all seem worthwhile.

John Hughman, editor of Investors Chronicle, wrote his first column for FT Money on Saturday August 29. He chose to write on the deficiencies of pooled nominee accounts. In 900 words of succinct prose he dissected the whole disgraceful issue - lack of rights, concealment of the risks, inadequate compensation, suppression of alternatives, misuse of intermediary powers - expressing an emotional distaste for the complicity of the industry on which he reports. He commented... '[The nominee system] is an indefensible embarrassment to a country that claims to be one of the fairest and most financially advanced in the worlds. I..... am angry now'. He concluded: 'If [the government] are serious about creating a more financially engaged society, a good place to start would be to give private shareholders the full rights they deserve'.



John Hunter

When a journalist of this distinction comments in these terms in a paper of the FT's repute it should ensure, at least, that the issue will not be fudged away as happened, disgracefully, in the drafting of the 2006 Companies Act.

But that was not all. On Thursday the FT's leader came out on the side of the angels in the fight with the International Accounting Standards Board in which UKSA is participating to toughen IFRS 9, the standard which governs banks' accounting for loan losses. Technical stuff; but since it, or its predecessor, allowed the banks to materially misrepresent their position prior to the 2008 crisis, not unimportant.

Let's allow ourselves a bit of self-satisfaction once in a while.

Good luck!
John Hunter