



UKSA
UK Shareholders'
Association

*FRC - Sue
Milton's take*

*FCA's Invest-
ment Market
Study*

*Investment
Trusts:
more from Roy*

The Private Investor

Chairman's Comment

In terms of UKSA's main aims the two months since the last TPI have been the most active in my experience. The lid on corporate governance that Theresa May opened in her first statement as prime minister allowed all sorts of issues to crawl out of the box, many close to UKSA's heart. It impelled the department of Business, Energy and Industrial Strategy (BEIS) to produce a Green Paper: Peter Parry reports on UKSA's response on pages 14 and 15. The Financial Conduct Authority (FCA) issued a consultation document on the practices of the fund management industry, again raising long-standing UKSA issues, and Martin White reports on UKSA's response on Pages 4 to 7. Martin was also in the happy position of being able to point out that many of the points raised had been covered in a private paper he submitted to the FCA in 2012, which had not even been acknowledged and which certainly generated no discernible action. Now, five years on, they are presented as fresh and new. Martin took full advantage of this irony in his UKSA submission.

The Financial Reporting Council (FRC) – the body actually responsible for corporate governance regulation – woke up and promised a major review of the Corporate Governance Code, to include input from a 'Stakeholder Advisory Panel'. This comprised a long list of stakeholder organisations, some only thinly relevant, without mention of private investors at all. This wonderful Freudian slip (the regulations and guidance notes themselves always refer just to 'investors' without defining what the word means) enabled me to write a blunt letter to the FRC Chairman, Sir Win Bischoff, that extracted a grudging response inviting a joint representative of UKSA/Sharesoc onto the Panel.

And that's by no means all. The FRC (which also regulates the audit profession) is beginning to respond to suggestions that all is not well (see Sue Milton on page 8); Martin White signed for UKSA a Green Paper submission from Sarasin Partners that included a forensic attack on modern developments in accounting standards; and various initiatives from various bodies show they are beginning to grasp the fact that increasing regulated disclosure tends to decrease usable information.

You will have received the AGM papers, including the survey questions on our future relationship with Sharesoc. I am extremely keen to get a wide and honest response to these, and that you do not just save your comments for the AGM. Attendees are inevitably mostly fit Londoners. The Board will make its decisions based on the views of *all* members, as expressed for the survey, and not just on the views of those who attend.

These decisions will also be based on the practicalities. UKSA is short of the volunteers necessary to do all we want to do, and this includes people willing to serve on the Board. I shall be stepping down as Chairman at the 2018 AGM, and also as Finance Director; the existing directors cannot consider the chairmanship without a substantial reduction in their existing roles.

Continued on Page 3

I would welcome a discussion with any of you who are interested in joining the Board, or taking up any volunteer roles, without commitment. The availability of suitable resources within UKSA will affect any decision we may make on involvement with other organisations.

Just room to congratulate Helen Gibbons on her appointment to ESMA's Consultative Working Group (see below). She continues the UKSA involvement initiated by Roger Collinge. As those of you with email will know Helen has also taken on additional work within UKSA – the notice below went out from me in January.

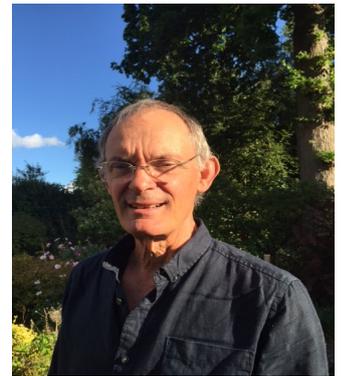
On the debit side I regret that Paul Waring, who has helped UKSA in different ways for a number of years, has asked to step down from looking after the NW region. This is for the best of all possible reasons – his business is developing faster than expected. Julian Mole of NE region has volunteered to look after NW region for the time being.

The following email went out from me in January:

'I am delighted to inform members that Helen Gibbons - who is UKSA Director, Europe, and our representative on the board of Better Finance - has agreed to additionally become Media Director. She will manage all aspects of UKSA's media presence, including design and content and with particular emphasis on social media, and be a contact point for media briefings. This function has been conspicuously absent from UKSA's armoury.

For those expecting instant miracles I would remind you that Helen works full-time as a self-employed translator of European languages into English in the fields of finance and governance. We are extremely grateful for whatever help she can give us.'

There are many references to UKSA papers in this edition. The easiest way to find them on the website is to look at the news stories on the front page and click on the relevant links.



John Hunter
Chairman

Good luck!
John Hunter
Chairman