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# UK Quoted Company Newsletter Q3 2022



Welcome to the most recent edition of our UK quoted company newsletter, the aim of which is to collate and highlight relevant legal, regulatory and topical developments that we have written about primarily in the third quarter of 2022.

If you have a query about any of the articles referred to in this newsletter, please get in touch with your usual Ashurst contact or any of the partners or consultants listed at the end of this newsletter. If you would like to receive any legal updates referred to in this newsletter, please contact our Data Compliance Team at [central.datagovernance@ashurst.com](mailto:central.datagovernance@ashurst.com).

**RULES AND REGULATION**

**CORPORATE REPORTING AND CORPORATE GOVERNANCE**

**CORPORATE CRIME**

**OTHER ASHURST Q3 2022 PUBLICATIONS**



## RULES AND REGULATION

1.	HM Treasury issues <a href="#">UK Secondary Capital Raising Review</a> which makes 21 key recommendations for improving capital raising processes for publicly traded companies in the UK, as well as outlining a timeframe for implementation and ascribing responsibility for doing so in each case. The Review follows on from <a href="#">Lord Hill's UK Listing Review</a> which aimed to enhance London's attractiveness as a leading listing venue in a post-Brexit world. Ashurst's UK Listings Review Report: One Year On can be found <a href="#">here</a> .	<a href="#">AGC 23, 28/7/22</a> (article 2)
2.	Financial Conduct Authority issues <a href="#">PS22/10: Strengthening our financial promotion rules for high-risk investments and firms approving financial promotions</a> - a policy statement on proposals to amend its financial promotion rules and guidance, along with a final handbook instrument and final non-handbook guidance on approving financial promotions. The new rules come into force on 1 February 2023.	<a href="#">AGC 25, 1/9/22</a> (article 7)
3.	London Stock Exchange issues <a href="#">Dividend Procedure Timetable for 2023</a> for companies with shares listed on the Official List or admitted to trading on AIM. This is useful when setting the timetable for interim and final dividend programmes.	<a href="#">AGC 25, 1/9/22</a> (article 3)

## CORPORATE REPORTING AND CORPORATE GOVERNANCE

4.	Financial Reporting Council issues <a href="#">Good Practice Guidance for Company Meetings</a> - which is aimed at listed companies with a view to enhancing effective shareholder participation when planning and conducting AGMs and other general meetings. The guidance reiterates that companies should seek to maximise the participation and engagement of all types of shareholders on the register and, where appropriate, take advantage of the use of technology to do so.	<a href="#">AGC 23, 28/7/22</a> (article 1)
5.	Financial Reporting Council publishes <a href="#">Public Interest Entity Auditor Registration Regulations</a> - which create the new registration regime for statutory auditors of public interest entities (PIEs). The Regulations come into force on 5 December 2022 and, from that date, all PIE auditors will need to be approved by the FRC before they can be included on the register.	<a href="#">AGC 25, 1/9/22</a> (article 2)
6.	Financial Reporting Council and the Financial Conduct Authority publish two reports - <a href="#">FRC - CRR Thematic review of TCFD disclosures and climate in the financial statements</a> and <a href="#">FCA Review of TCFD-aligned disclosures by premium listed commercial companies</a> - which focus on reporting by premium listed companies in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the associated Listing Rules. The reports find that in-scope companies have made significant advances in the quality of climate-related information provided in their financial reports. Nevertheless, further improvements are still needed.	<a href="#">AGC 24, 4/8/22</a> (article 2)

7.	Financial Reporting Council issues <a href="#">Digital Security Risk Disclosure</a> – a report aiming to help companies improve the disclosure of digital security strategies, risks and governance. While many FTSE 350 companies report at least one digital-related principal risk (mainly cyber risk), the disclosures are often 'boilerplate' and overly 'static'. The report suggests ways for companies to disclose more meaningful disclosures.	<a href="#">AGC 25, 1/9/22</a> (article 5)
8.	Financial Reporting Council publishes <a href="#">Thematic Review: Judgements and Estimates</a> - an updated report to help companies make more meaningful disclosures about complex accounting judgments, as well as significant sources of estimation uncertainty. Such disclosures allow readers of annual financial reports to assess how the accounting policies applied have been affected by the judgments taken by management.	<a href="#">AGC 25, 1/9/22</a> (article 6)
9.	Financial Reporting Council issues <a href="#">Position Paper - Restoring Trust in Audit and Corporate Governance</a> – which sets out the actions it proposes to take in support of the government's reform of the UK audit and corporate governance framework. The Position Paper lays bare the careful planning that various organisations will need to undertake to ensure that the reform package is delivered in a structured and coherent manner. It also highlights the volume of additional material directors and governance teams will need to assimilate should they be at the sharp end of the reforms.	<a href="#">AGC 22, 18/7/22</a> (article 1)
10.	Financial Reporting Council issues a <a href="#">consultation</a> on the proposed statutory funding model of its successor body: the Audit, Reporting and Governance Authority. The consultation sets out guiding principles for ARGA's overall funding arrangements, the proposed funding model and the groups that would fund different regulatory activities, with the aim of ensuring funding groups are levied proportionately relative to the areas and extent of regulatory oversight to which they are subject.	<a href="#">AGC 24, 4/8/22</a> (article 5)
11.	Financial Reporting Council Lab publishes a <a href="#">report</a> that identifies lessons learnt from the first year of mandatory structured digital reporting. For financial years starting on or after 1 January 2021, companies admitted to trading on UK regulated markets are required to start producing their annual financial reports in a structured electronic format ('structured report'). The FCA introduced this requirement (DTR 4.1.14) as part of the UK implementation of a cross-EU initiative known as the 'European Single Electronic Format' or 'ESEF' under the TD ESEF regulation.	<a href="#">AGC 26, 29/9/22</a> (article 2)
12.	Financial Reporting Council Lab publishes <a href="#">Improving ESG data production</a> – a report which aims to help companies collect and use ESG data in decision-making more effectively. The report, which is based on meetings held with listed and large private companies, follows the Lab's 2021 ESG Statement of Intent, which highlighted that the systems to produce ESG data are significantly less mature than those for financial information.	<a href="#">AGC 26, 29/9/22</a> (article 3)
13.	Financial Reporting Council publishes: <ul style="list-style-type: none"> <li>• <a href="#">thematic review of deferred tax assets</a>, which considers the basis of recognition of, and disclosure in relation to, deferred tax assets in light of the effect of Covid-19 on companies' profitability.</li> <li>• <a href="#">thematic review on earnings per share</a>, which considers the requirement for companies with listed ordinary shares to report earnings per share in accordance with IAS 33 in their interim and annual reports.</li> </ul>	<a href="#">AGC 26, 29/9/22</a> (article 4)

## CORPORATE CRIME

14.	<p>The <a href="#">Economic Crime (Transparency and Enforcement) Act 2022</a> (the Act) and associated secondary legislation brings into force the Register of Overseas Entities regime, meaning that from 1 August 2022, an overseas entity owning land in England &amp; Wales must apply to be registered if it holds a qualifying estate in land acquired on or after 1 January 1999 (a qualifying estate being a freehold or lease granted for more than 7 years). In doing so, the overseas entity must provide details about its beneficial owners, including those that hold more than 25 per cent of the shares or voting rights in the overseas entity or who exercise significant influence or control over the entity.</p> <p>Ashurst have also published <a href="#">New regime for Overseas Entities who own UK land: Key facts and implications for transactions</a> – which provides more information.</p>	<a href="#">AGC 23</a> , 28/7/22 (article 1)
15.	<p>Department of Business, Energy and Industrial Strategy publishes <a href="#">Guidance for the Registration of Overseas Entities</a> on the UK Register of Overseas Entities - which includes technical guidance about: identifying beneficial owners; the registration and verification process; expectations of verifiers; and protecting information on the Register.</p>	<a href="#">AGC 24</a> , 4/8/22 (article 3)
16.	<p>The government publishes the <a href="#">Economic Crime and Corporate Transparency Bill 2022</a> (the Bill), which represents the second stage in its programme to prevent the abuse of UK corporate entities and combat economic crime (the first stage being the implementation of the Register of Overseas Entities as regards property ownership - see above). Many of the proposals in the Bill were first signalled in the government's corporate transparency and reform <a href="#">White Paper</a> issued earlier this year. For our briefing on the White Paper - <a href="#">click here</a>. The proposals in the Bill address: Companies and Companies House (Part 1); Limited Partnerships (Part 2); Register of Overseas Entities (Part 3); Cryptoassets (Part 4); and Anti-money laundering powers (Part 5).</p> <p>More information about the Bill is available in the government's <a href="#">Explanatory Notes</a> and <a href="#">Factsheets</a>.</p>	<a href="#">AGC 26</a> , 29/9/22 (article 1)
17.	<p>Financial Conduct Authority publishes <a href="#">Decision Notice for Carillion plc</a> (in liquidation) – formerly one of the government's biggest contractors – together with Decision Notices for three of its former executive directors for breaches of the FCA's Listing Rules and the UK Market Abuse Regulation.</p>	<a href="#">AGC 24</a> , 4/8/22 (article 1)
18.	<p>Financial Conduct Authority publishes a <a href="#">Final Notice</a> – which imposes a financial penalty on Sir Christopher Gent, the former non-executive chair of ConvaTec Group Plc, for unlawfully disclosing inside information to two of ConvaTec's major shareholders. The inside information related to the revision of ConvaTec's financial guidance and the retirement of ConvaTec's CEO.</p>	<a href="#">AGC 25</a> , 1/9/22 (article 1)
19.	<p>European Securities and Markets Authority publishes an updated version <a href="#">Q&amp;A on the EU Market Abuse Regulation</a>. ESMA has added two Q&amp;A which provide clarification on</p> <ul style="list-style-type: none"> <li>• financial guidance and disclosure of inside information, and</li> <li>• market analysts' expectations and the identification of inside information.</li> </ul>	<a href="#">AGC 26</a> , 29/9/22 (article 6)

## OTHER ASHURST Q3 2022 PUBLICATIONS

Corporate		
20.	Ashurst and Practical Law Company Q3 2022 Company Law Bulletin	<a href="#">Q3 2022, 17/10/22</a>
21.	Personal liability of company directors: out of joint	<a href="#">Corporate Update, 8/11/22</a>
Restructuring and Special Situations		
22.	Supreme Court Confirms Creditors Duty For Directors	<a href="#">RSSG Legal Update, 5/10/22</a>
Competition		
23.	UK National Security and Investment Act shows teeth: deals blocked and guidance	<a href="#">Competition Newsletter, 3/10/22</a>
Contentious Financial Services		
24.	Economic Crime and Corporate Transparency Bill- proposed changes to UK's AML regime	<a href="#">Contentious Financial Services Update, 30/9/22</a>
25.	The FCA's Carillion Decision Notice - A reminder that listed company announcements must be timely and accurate	<a href="#">Contentious Financial Services Update, 29/6/22</a>
26.	FCA enforcement cases on the rise	<a href="#">Contentious Financial Services Update, 22/7/22</a>
Real Estate		
27.	New regime for Overseas Entities	<a href="#">Real Estate Update, 13/9/22</a>

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