

Financial Reporting Council

Summary minutes of a meeting of the Board of Directors of the Company held on 16 July 2009 at 71 -91 Aldwych, London, WC2B 4HN

PRESENT:	Sir Christopher Hogg	Chair
	Baroness Sarah Hogg	Deputy Chair
	Paul Boyle	Director & Chief Executive
	Peter Chambers	Non-executive Director
	Rudy Markham	Non-executive Director
	Sir Steve Robson	Non-executive Director
	Sir John Sunderland	Non-executive Director
	Lindsay Tomlinson	Non-executive Director
	Richard Fleck	Chair APB
	Bill Knight	Chair FRRP
	Ian Mackintosh	Chair ASB
	Dame Barbara Mills	Chair POB
	Jim Sutcliffe	Chair BAS
	Timothy Walker	Chair AADB
IN ATTENDANCE:	David Andrews	Policy & Planning Manager (for Item 6)
	Geoff Dart	BIS (for Item 5)
	Stephen Hadrill	CEO designate (for Items 6-9)
	Chris Hodge	Head of CGU (for Item 5)
	Anne McArthur	Secretary
	Roger Nicklen	Note Taker

Apologies for absence were received from Eric Anstee and Sir Michael Rake.

1 MINUTES

The Board approved the summary minutes of the meeting held on 26 May 2009 for publication.

2 MINUTES OF THE EXECUTIVE COMMITTEE MEETING HELD ON 2 JULY

The Board noted and discussed a number of issues arising from the minutes of the Executive Committee meeting held on 2 July.

3 MINUTES OF THE NOMINATIONS COMMITTEE MEETING HELD ON 26 MAY

3.1 The Chairman reported that the arrangements for appointment of his successor were now under way.

3.2 The Board noted the minutes of the Nominations Committee meeting held on 26 May.

4 CHAIRMAN'S REMARKS

The Board approved the arrangements for the conduct of the Board evaluation exercise.

5 CORPORATE GOVERNANCE

5.1 The Board:

- a. noted the recommendations of the Walker Review of corporate governance in UK banks and approved the terms of a Press Notice welcoming the publication of the consultation paper on the review,
- b. discussed a number of aspects of and options for development of its monitoring role in relation to corporate governance,
- c. gave preliminary consideration to a progress report on the FRC's review of the Combined Code and to the issues requiring further consideration and commissioned further development of the report and consultation paper to be cleared with Board members outside the meeting before publication, and
- d. noted the minutes of the Committee on Corporate Governance meeting held on 17 June.

6 REVIEW OF FRC PRIORITIES - STRATEGIC OPTIONS

6.1 The Board:

- a. gave preliminary consideration to the risks likely to be facing the FRC and to a range of potential strategic options for addressing those risks as the first stage in developing the FRC's Plan for 2010/11, and
- b. identified a number of potential strategic options to be considered in further depth at its next meeting.

7 CHIEF EXECUTIVE'S REPORT

7.1 The Board reviewed a number of policy areas within the FRC's remit and identified as priorities for future consideration:

- a. decisions on the next stage of the review of the Combined Code,
- b. the current issues in relation to pensions, and
- c. the future development of IFRS in the event that the pursuit of convergence with US GAAP drove IFRS in undesirable directions.

7.2 The Board noted:

- a. publication of the Government's White Paper "Reforming Financial Markets" and welcomed its support for the FRC's line on an economic cycle reserve,
- b. the Chief Executive's intention to challenge arguments being made that the primary objective of the financial reports of financial institutions should be financial stability rather than the information needs of investors.

7.3 The Board discussed the consequences of the Government's referral of MG Rover to the Serious Fraud Office and urged the Chief Executive to press for early publication of the Inspectors' report.

7.4 The Board noted and discussed a number of other issues arising from the Chief Executive's report.

8 REPORTS FROM OPERATING BODY CHAIRS

The Board noted and discussed a number of issues arising from the reports from the Chairs of the Accounting Standards Board, the Auditing Practices Board, the Board for Actuarial Standards, the Financial Reporting Review Panel, the Accountancy and Actuarial Discipline Board and the Professional Oversight Board.

9 ANY OTHER BUSINESS

9.1 The Board noted the outline Board calendar.

9.2 The Board delegated authority to the Chairman and/or the Chief Executive to approve the accounts of AADB Ltd.

9.3 The Board confirmed the appointment of Jim Sutcliffe as Chair of the Board for Actuarial Standards and as an FRC Director.

10 NEXT MEETING

Tuesday, 6 October at 9.30 a.m.