

Financial Reporting Council

Summary minutes of a meeting of the Board of Directors of the Company held on 5 October 2010 in the Boardroom, Hotel Sofitel, Brussels

PRESENT:	Baroness Hogg	Chair
	Stephen Haddrill	Director & Chief Executive
	Eric Anstee	Non-executive Director
	Peter Chambers	Non-executive Director
	Rudy Markham	Non-executive Director
	Sir Mike Rake	Non-executive Director
	Sir Steve Robson	Non-executive Director
	Sir John Sunderland	Non-executive Director
	Bill Knight	Chair FRRP
	Ian Mackintosh	Chair ASB
	Dame Barbara Mills	Chair POB
	Jim Sutcliffe	Chair BAS
	Timothy Walker	Chair AADB
IN ATTENDANCE:	Anne McArthur	Secretary
	Ian Wright	Director of Accounting (Item 4)
	Paul George	Director of Audit (Item 4)
	Anthony Snow	Chief Operating Officer (Item 5)
	Peter Montagnon	Senior Investment Advisor (Item 6)

Apologies were received from Lindsay Tomlinson and Richard Fleck.

1 MINUTES

- 1.1 The Board approved the summary minutes of the meeting held on 15 July 2010 for publication.
- 1.2 The Board noted the summary of action required and progress.

2 CHIEF EXECUTIVE'S REPORT

- 2.1 The Board considered reports from the Chief Executive and from operating body Chairs and discussed a number of issues arising from the reports including:
 - The emerging argument for rationalising regulation in relation to corporate reporting and the role of the FRC;
 - The increasing case load of the AADB and the need to ensure that costs arrangement with participating bodies continued to be appropriate;
 - On UKGAAP and the FRED of the FRSME the vast majority were supportive but there was a noisy minority and the ASB wanted to hear from them. There was also some concern voiced by BIS and the ASB had been responding to their concerns;

- The Chairman and Mr Haddrill’s evidence to the House of Lords inquiry on audit services and the likely lines of questioning and the matters which could be raised in responses.

3 UKLA: FRC RESPONSE TO HMT CONSULTATION

3.1 The Board agreed that the FRC should set out its position and the arguments for and against the proposals in writing. The Board noted that the Chairman had been invited to give evidence to the Treasury Select Committee and any written response would assist with that process. A further draft response would be circulated to Board members before submission.

4 THE FINANCIAL CRISIS: LESSONS LEARNT

4.1 The Board noted the further draft paper “Effective Stewardship” and agreed that it should be circulated again following amendment and prior to issuing for consultation. The consultation paper should be circulated with a draft press notice.

5 PLANNING PRIORITIES AND BUDGET SHAPE 2011/12

5.1 The Board considered budget options and specifically, proposals that the FRC budget should reflect what was happening in the public sector generally and demonstrate prudence. The Board noted that a draft Plan and Budget for consultation would be tabled at its next meeting in December.

6 REVIEW OF TURNBULL GUIDANCE

6.1 The Board agreed that the Turnbull Guidance should be subject to a review to the extent necessary to update the Guidance.

7 REAPPOINTMENT OF NON EXECUTIVE DIRECTORS

7.1 The Board reappointed each of the non-executive Directors to the Board for the following terms:

Eric Anstee and Sir John Sunderland	1 November 2010 to 31 May 2011
Lindsay Tomlinson	1 November 2010 to 31 October 2011
Peter Chambers and Rudy Markham	1 November 2010 to 31 October 2012
Sir Steve Robson and Sir Mike Rake	1 November 2010 to 31 October 2013

8 ITEMS TO NOTE

- 8.1 The Board noted:
- Minutes of Remuneration Committee 15.07.2010,
 - Outline Board Calendar 2010 and 2011.

9 ANY OTHER BUSINESS

9.1 The Board delegated authority to the Chairman to approve the accounts of AADB Ltd.

10 NEXT MEETING

Tuesday, 7 December 2010 at 8.30 a.m.