

Summary of the meeting of the FRC Regulatory Codes and Standards Committee held on the 19 October 2022 at the FRC's registered office and via Teams

Members	Hannah Nixon	Chair
	John Coomber	Committee member
	Sir Ashley Fox	Committee member
	Clare Thompson	Committee member
	Rosemary Beaver	Senior Advisor
	Paul Cox	Senior Advisor
	Richard Lawrence	Senior Advisor
Observers	Sir Jan du Plessis	FRC Chair
	Mark Holmes	BEIS
	Clare Cole	FCA
Apologies	n/a	
Prelims	<p>The Chair declared the meeting quorate. No new declarations of interests were made by those present. The Committee approved the minutes of its meeting held on 15 June 2022.</p>	
1.	Approvals	
	<p>Following its consideration of feedback from stakeholders on FRED 80, the Committee recommended to the Board that it publish:</p> <ol style="list-style-type: none"> 1. Amendments to FRS 100 Application of Financial Reporting Requirements, relating to the Application Guidance on <i>The Interpretation of Equivalence</i>. <p>The Committee approved publication of:</p> <ol style="list-style-type: none"> 2. A public consultation on a draft Standard setting out minimum requirements for FTSE 350 Audit Committees in relation to the appointment and oversight of the audit. <p>Following feedback received from stakeholders through a public consultation on Yeti and other outreach work and a recommendation from the XBRL UK Governance Committee, the Committee approved publication of:</p> <ol style="list-style-type: none"> 3. The FRC 2023 Taxonomy Suite. 	

2.	<p>Discussion Items</p> <p>1. The FRC’s Lab Report on Net Zero Disclosures The Committee noted the recently published Lab report on companies’ net zero disclosures. It discussed issues around building net zero into business models, the tangible demand from users of financial reports for clearer, more comparable disclosures and the availability of data assurance in this area. It noted the three core elements which the Report encourages companies to use as a framework for their Net Zero Disclosures: commitments, impacts and performance.</p> <p>2. FRS 102 Periodic Review The Committee received an early view of the proposed content and process for a FRED on amendments to the UK and Ireland financial reporting standards (FRS 102). The Committee also briefly discussed the IASB’s revised IFRS 16 and a possible IFRS for SME’s. The full draft FRED would be presented to the Committee at its meeting in November.</p> <p>3. Non-financial reporting requirements The Committee received an update on the FRC’s work with BEIS to identify opportunities to simplify or reduce existing UK non-financial reporting requirements, considering both the costs and benefits to companies of any proposed changes in this area.</p> <p>4. The Divisional Risk Register The Committee discussed the divisional risk register and ways to present identified and emerging risks to the work and objectives of the Regulatory Standards and Codes division. The Committee discussed the FRC’s level of appetite against these risks given its role as a regulator, what mitigations were within the FRC’s control and the consistency and forward-looking nature of its risk reporting.</p>
3.	<p>Noted items</p> <p>The Committee received updates from the Executive Director, Regulatory Standards on:</p> <ol style="list-style-type: none"> 1. The timetable for the ongoing review of the Technical Auditing Standards (TASs) 2. The FRC’s plan and budget for 2023/24 3. The September IAASB meeting, where an Exposure Draft on revisions to ISA 500 had been approved for publication. 4. The International Corporate Governance Network’s conference in Seoul, where delegates had expressed a keen interest in the FRC’s plans to revise its Corporate Governance Code.
	<p>The next RSCC meeting was scheduled for 23 November 2022</p>