

Summary of the meetings of the FRC Board held on the 5th and 15th September 2022 at the FRC's registered office and via Teams

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| FRC Board | Sir Jan du Plessis | Chairman |
| | Sir Jon Thompson | CEO |
| | John Coomber | Senior Independent Director |
| | Angela Cha | Non-Executive Director |
| | Hannah Nixon | Non-Executive Director |
| | David Willis | Non-Executive Director |
| | Clare Thompson | Non-Executive Director |
| | Sir Ashley Fox | Non-Executive Director |
| | Ruwan Weerasekera | Non-Executive Director |

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| Prelims | <p>The Chair welcomed members of the Board to the meetings and in particular James Schirn, the new FRC Company Secretary.</p> <p>The meetings were quorate, and no new declarations of interest were made.</p> <p>All Members were present at the 5th September meeting. Apologies were noted from David Willis and Clare Thompson at the 15th September meeting.</p> |
| | Approvals |
| 1. | <p>The Board approved the following key matters for publication:</p> <ul style="list-style-type: none"> • The FRC's 2021/2022 Modern Slavery Statement. • International Standard on Auditing (ISA) (UK) 600 and the Feedback Statement. This standard sets the requirements for auditors when undertaking an audit of group financial statements. <p>Actuarial Standard Technical Memorandum 1 ("AS TM1") with an effective date of 1st October 2023, the Feedback Statement, and Impact Assessment. This standard specifies the assumptions and methods to be used in the calculation of statutory illustrations of money purchase/defined contribution pensions. The Board supported the standardising of the methods and assumptions in AS TM1, and the volatility approach adopted. The FRC would continue to work with the DWP teams responsible for the presentation of the Pensions Dashboard with the objective to promote clear communications on the risks</p> |

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| | <p>connected with the illustrations given based on the feedback received and the analysis undertaken by the team.</p> <ul style="list-style-type: none"> • The Professional Oversight Annual Report to the Secretary of State (SoS) and that it be laid before Parliament. <p>The Board approved the Minutes of the 6th July 2022 Meeting, the creation of Board meeting summaries and the reappointment of the Government Internal Audit Agency (GIAA) as internal auditor.</p> <p>The Board also approved changes to the FRC’s oversight of the Recognised Supervisory Bodies with the development of a supervisory approach in alignment with that taken with audit firms.</p> |
| <p>2.</p> | <p>Discussion Items</p> |
| | <p>The Board had a discussion on the following key matters:</p> <ul style="list-style-type: none"> • Plans for the FRC’s future office location as it transitions into the Audit, Reporting and Governance Authority (ARGA). • An update from the Chair of the Board on the recruitment on two non-executive members to the Board. • An update from the Chief Executive on operational activities and key matters since the last meeting in July. These include: <ul style="list-style-type: none"> ○ The publication of the FRC’s Position Paper, setting out how the Financial Reporting Council (FRC) will support the Government’s reforms as it transitions into the Audit, Reporting and Governance Authority (ARGA). ○ The publication of the Annual Audit Quality Review Results. 75% of audits inspected were good or required limited improvement (compared to 71% in 2021 and 67% in 2020). ○ That a consultation on ARGA funding was completed together with commencement of the PIE Auditor Registration approval process. |

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| | <ul style="list-style-type: none"> ○ That the FRC Director of Local Public Audit has been appointed to support the FRC as it becomes systems leader for local audit. • An update on the activities of the Enforcement Division and the status of active investigations. Discussion included consideration of progress against key performance indicators. |
| 3. | Items to Note |
| | <p>The Board received:</p> <ul style="list-style-type: none"> • The matters arising from the previous meeting and any updates on actions arising. • The minutes of the Conduct Committee meeting held on 12th July 2022, and an oral update of the 13th September 2022 meeting. • The minutes of the Supervision Committee meeting held on 20th July 2022, and an oral update on the 13th September 2022 meeting. • An oral report of the Regulatory Codes and Conduct Committee meeting held on 7th September 2022. • An oral report of the People Committee meeting held on 8th September 2022. • The management information pack from the Finance Director and progress against key performance indicators. • The Board meeting forward plan. |
| | The next Board meeting is the 3rd November 2022. |