

June 2016

Key Facts and Trends in the Accountancy Profession

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Financial Reporting Council

Key Facts and Trends in the Accountancy Profession

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Foreword

This is the fourteenth edition of ‘Key Facts and Trends in the Accountancy Profession’.

The FRC is the UK’s independent regulator responsible for promoting high quality corporate governance and reporting to foster investment. It has specific responsibilities for overseeing the regulation of statutory auditors and, more widely, the regulation of the accountancy and actuarial professions in the UK by agreement with their professional bodies.

This document provides statistical information on the accountancy profession as part of the context to the FRC’s work. It collates information provided by six chartered accountancy bodies¹ and one other accountancy body that offers an audit qualification in statutory audit recognised by the FRC². The information in Sections One to Three relates principally to membership, students, income, costs and staffing of these accountancy bodies. For the first time this year, Section Two also includes information provided by the Association of Accounting Technicians (AAT); data and trends regarding AAT are presented separately on pages 23 and 24. Section Four contains information related to the oversight of statutory auditors.

Section Five provides information on the audit firms which perform the audits of Public Interest Entities (PIEs). This is a change from previous editions where we reported on the largest registered audit firms.

Where appropriate we highlight significant trends and explain possible limitations on the data. However, we do not comment on the possible reasons for particular trends. We would also stress that it is often difficult to make comparisons between the accountancy bodies or between audit firms. This can be for a number of reasons, such as differences in the way data is classified or in the differing regulatory arrangements.

In Section Two, the tables on members and students of the accountancy bodies show data for the UK and ROI, and separately worldwide data. We include the UK and ROI figures together, partly because members and firms are entitled to practise in both jurisdictions and partly because in some cases it is difficult for the bodies to separate the data. However, the Irish Auditing and Accounting Supervisory Authority (IAASA) publishes certain information relating specifically to the ROI, which is available at <http://www.iaasa.ie>.

Overall, the data suggests that the profession continues to remain attractive. The overall number of members continues to increase, both in the UK and worldwide. Student numbers which have declined in the UK and ROI in UK in 2015 and have grown worldwide. The total fee income of the PIE audit firms has also grown in 2014/15.

The FRC, in its role as the UK’s competent authority for audit, will publish in July 2016 its first “Developments in Audit” report. The report will set out an overview of developments in UK audit quality and confidence in audit, with reference to our assessment of quality through our work on professional oversight, audit quality review and enforcement.

We are grateful to those that took the time to complete our questionnaire on how we could improve this publication. We would again welcome your comments on Key Facts and Trends in the Accountancy Profession and should be grateful if you would complete our short questionnaire (see link below):

<https://www.surveymonkey.co.uk/r/KeyFactsandTrends2016>

Further information about the FRC is available at www.frc.org.uk

¹ ACCA, CAI, CIMA, CIPFA, ICAEW and ICAS. Of these accountancy bodies, ACCA, CAI, ICAEW and ICAS offer an audit qualification in statutory audit recognised by the FRC.

² AIA

Section One Main Highlights

The Accountancy Bodies 2011 – 2015

Total membership of the accountancy bodies continues to grow steadily. As at 31 December 2015, the seven accountancy bodies had over 342,000 members in the UK and ROI and over 497,000 members worldwide. The compound annual growth rates for the 2011-15 period are 2.4% in the UK and ROI and 3.2% worldwide. (Figures 2 to 3)

There were over 163,000 students in the UK and ROI and over 559,000 worldwide as at 31 December 2015. There has been a decline in the number of students in the UK and ROI, falling by 1.8% since 31 December 2014 and by a compound annual rate of 1.1% for the 2011-15 period. However, the number of students worldwide has increased by 2.6% since 31 December 2014 and by an annual compound rate of 3.1% for the 2011-15 period. (Figures 2 and 3)

There are significant differences between the bodies in terms of geographical distribution of membership and student populations and in size, growth rate and age profile.

The number of registered audit firms continues to decline gradually. The overall number of registered audit firms was 6,331 as at 31 December 2015, a fall of 304 firms (4.6%) since 31 December 2014. (Figure 19)



The Audit Firms 2011 – 2015

Figure 32 shows the fee income for audit and non-audit services for the 41 audit firms with Public Interest Entity (PIE) clients¹ for the year ended 2015. Firms are listed in order of fee income from audit, rather than total fee income.

In comparison to 2014, the Big Four have collectively experienced increases in growth across all categories of fee income, in contrast to those PIE audit firms outside of the Big Four, which collectively experienced declines in the rate of growth across nearly all categories of fee income over the same period.

The collective fee income for all PIE audit firms increased in 2014-15. The aggregate increase for the Big Four was 6.7% compared with an aggregate increase of 4.7% for the PIE audit firms outside of the Big Four. (Figure 35)

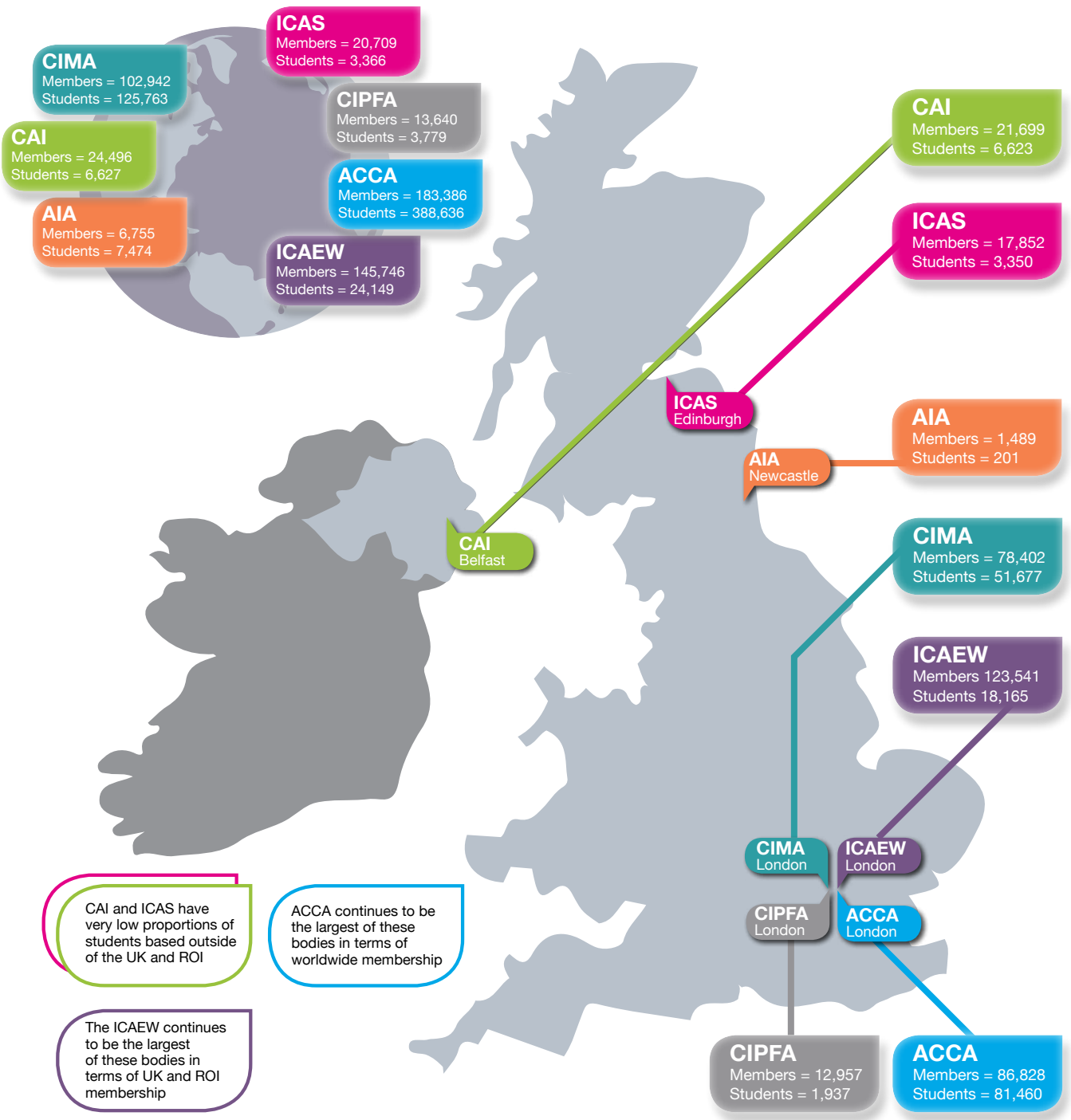
Aggregate audit fee income for the Big Four increased by 4.6% in 2014-2015, compared with an aggregate increase of 2.7% for the PIE audit firms outside of the Big Four. (Figure 35)

Average audit fee income per Responsible Individual (RI) increased by 8.8% compared to 2014 across all PIE audit firms. (Figure 36)

More listed companies outside of the FTSE 350 were being audited by the Big Four in 2015 than in previous years. (Figure 38)

The proportion of fee income from non-audit clients, fee income from non-audit work to audit clients and audit fee income, across audit firms with PIE clients has been stable between 2013 and 2015. (Figure 33)

¹ Article 2 of the EU Directive defines PIEs as: entities governed by the law of a member state whose transferable securities (equity and debt) are admitted to trading on a regulated market in the EEA, credit institutions or insurance undertakings.



CAI and ICAS have very low proportions of students based outside of the UK and ROI

ACCA continues to be the largest of these bodies in terms of worldwide membership

The ICAEW continues to be the largest of these bodies in terms of UK and ROI membership

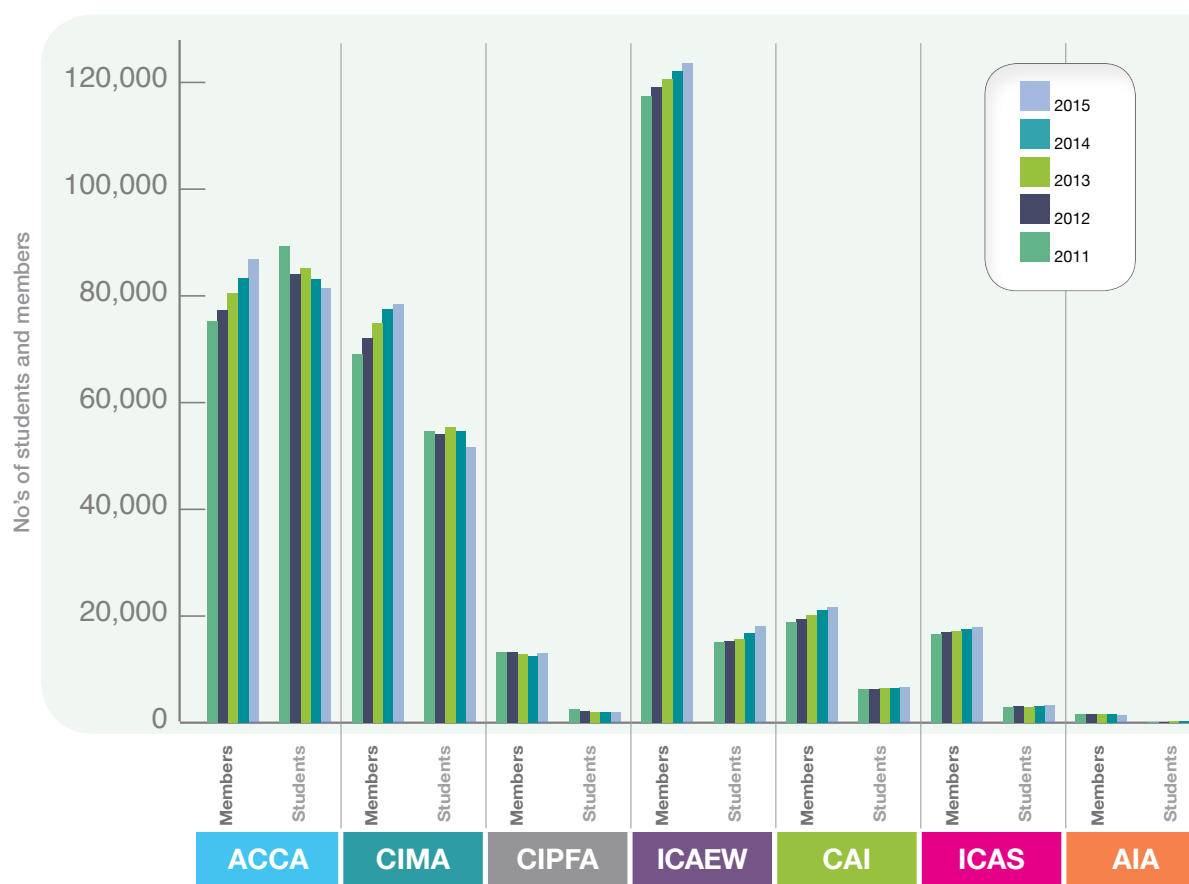
Figure 1

1 The location of members and students is based on the registered address supplied to the accountancy bodies and may be either the place of employment or the place of residence.

Registered Members and Students in UK and ROI

Figure 2 shows the number of members and students in the UK and ROI of the accountancy bodies as at 31 December for the five years to 31 December 2015.

Growth of Members in UK & ROI	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA ²	TOTAL
Total numbers for 2015	86,828	78,402	12,957	123,541	21,699	17,852	1,489	342,768
% growth (14-15)	4.2	1.1	4.6	1.1	3.4	1.8	-5.4	2.2
% growth (11-15)	15.3	13.6	-1.5	5.2	15.3	7.1	-9.6	9.8
% compound annual growth (11-15)	3.6	3.2	-0.4	1.3	3.6	1.7	-2.5	2.4



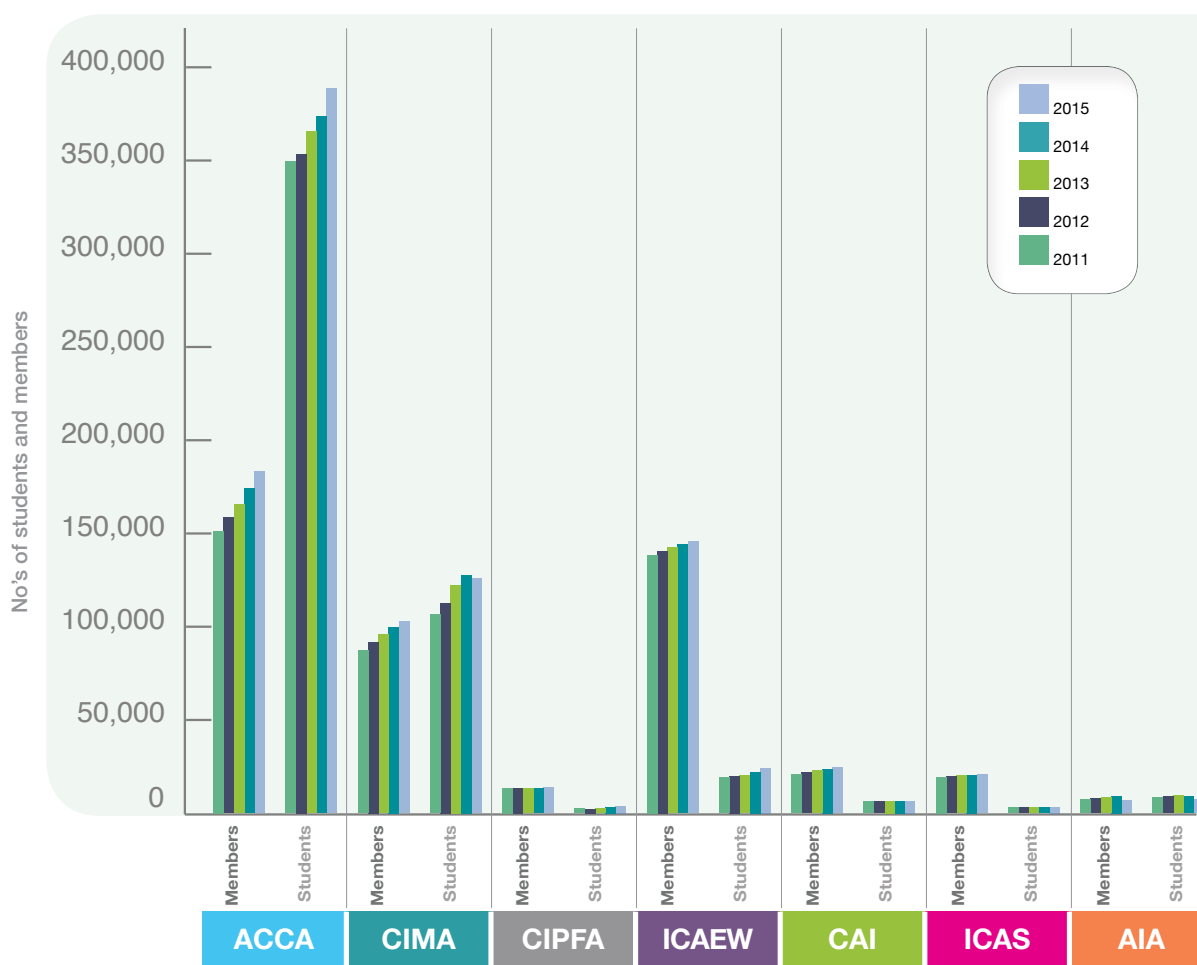
Growth of Students in UK & ROI	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Total numbers for 2015	81,460	51,677	1,937	18,165	6,623	3,350	201	163,413
% growth (14-15)	-2.1	-5.5	-3.9	8.7	1.3	9.5	-25.6	-1.8
% growth (11-15)	-8.7	-5.4	-20.5	21.0	4.3	11.9	29.7	-4.3
% compound annual growth (11-15)	-2.2	-1.4	-5.6	4.9	1.1	2.8	6.7	-1.1

Figure 2

Registered Members and Students Worldwide

Figure 3 shows the number of worldwide³ members and students of the accountancy bodies as at 31 December for the five years to 31 December 2015.

Growth of Members Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA ²	TOTAL
Total numbers for 2015	183,386	102,942	13,640	145,746	24,496	20,709	6,755	497,674
% growth (14-15)	5.3	3.0	2.3	1.1	3.0	1.5	-27.0	2.6
% growth (11-15)	21.2	17.9	0.7	5.3	17.2	7.1	-7.5	13.6
% compound annual growth (11-15)	4.9	4.2	0.2	1.3	4.0	1.7	-1.9	3.2



Growth of Students Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Total numbers for 2015	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794
% growth (14-15)	4.0	-1.6	12.4	9.8	1.2	9.6	-17.5	2.6
% growth (11-15)	11.3	18.0	48.2	26.6	4.2	11.3	-11.4	13.0
% compound annual growth (11-15)	2.7	4.2	10.3	6.1	1.0	2.7	-3.0	3.1

Figure 3

- Previously the AIA number includes affiliate members who are not full members of the AIA. Affiliate membership was open to those who have a minimum of five years' experience working in accounting and finance. In 2015 the AIA affiliate membership was withdrawn. Membership numbers now reflect only those holding full membership status.
- The location of members is based on the registered address supplied to the accountancy bodies and may be either the place of employment or the place of residence.

The total number of members of the accountancy bodies in the UK and ROI has continued to grow steadily at a compound annual growth rate of 2.4% for the period 2011 to 2015. Total membership in the UK and ROI increased by 2.2% from 2014 to 2015 compared with 2.4% from 2013 to 2014.

There are significant differences in growth rates of the accountancy bodies in the UK and ROI. ACCA, CIMA and CAI show the strongest membership growth between 2011 and 2015, with compound annual growth rates of 3.6%, 3.2% and 3.6%, respectively. UK and ROI membership of AIA and CIPFA has declined during this period.

The total number of students of the accountancy bodies in the UK and ROI has further declined by 1.8% from 2014 to 2015 compared with a decrease of 0.8% between 2013 to 2014.

Although the total student numbers of the accountancy bodies in the UK and ROI have declined, ICAEW, CAI and ICAS have seen an increase in student numbers between 2014 and 2015.

Worldwide membership of the accountancy bodies continues to grow at a faster rate than UK and ROI membership (worldwide membership has increased by a compound annual growth rate of 3.2% for the 2011-15 period, compared to 2.4% for UK and ROI membership).

There continues to be wide differences between the accountancy bodies in terms of the numbers and rates of growth in worldwide student membership.

Total worldwide student numbers increased by 2.6% from 2014 to 2015 with an overall compound annual growth rate of 3.1% between 2011 to 2015.

All of the accountancy bodies, apart from AIA, experienced growth in worldwide student numbers between 2011 and 2015.

Students who became Members

Figure 4 shows the number of worldwide students who became members of the accountancy bodies as at 31 December for the five years to 31 December 2015.

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	9,156	5,030	244	3,118	1,064	804	22	19,438
2012	10,124	5,736	263	3,475	1,096	765	25	21,484
2013	9,836	5,527	282	3,252	1,100	619	25	20,641
2014	11,541	5,554	221	3,325	1,076	562	34	22,313
2015	12,868	4,814	143	3,855	926	576	39	23,221
% growth (14 - 15)	11.5	-13.3	-35.3	15.9	-13.9	2.5	14.7	4.1

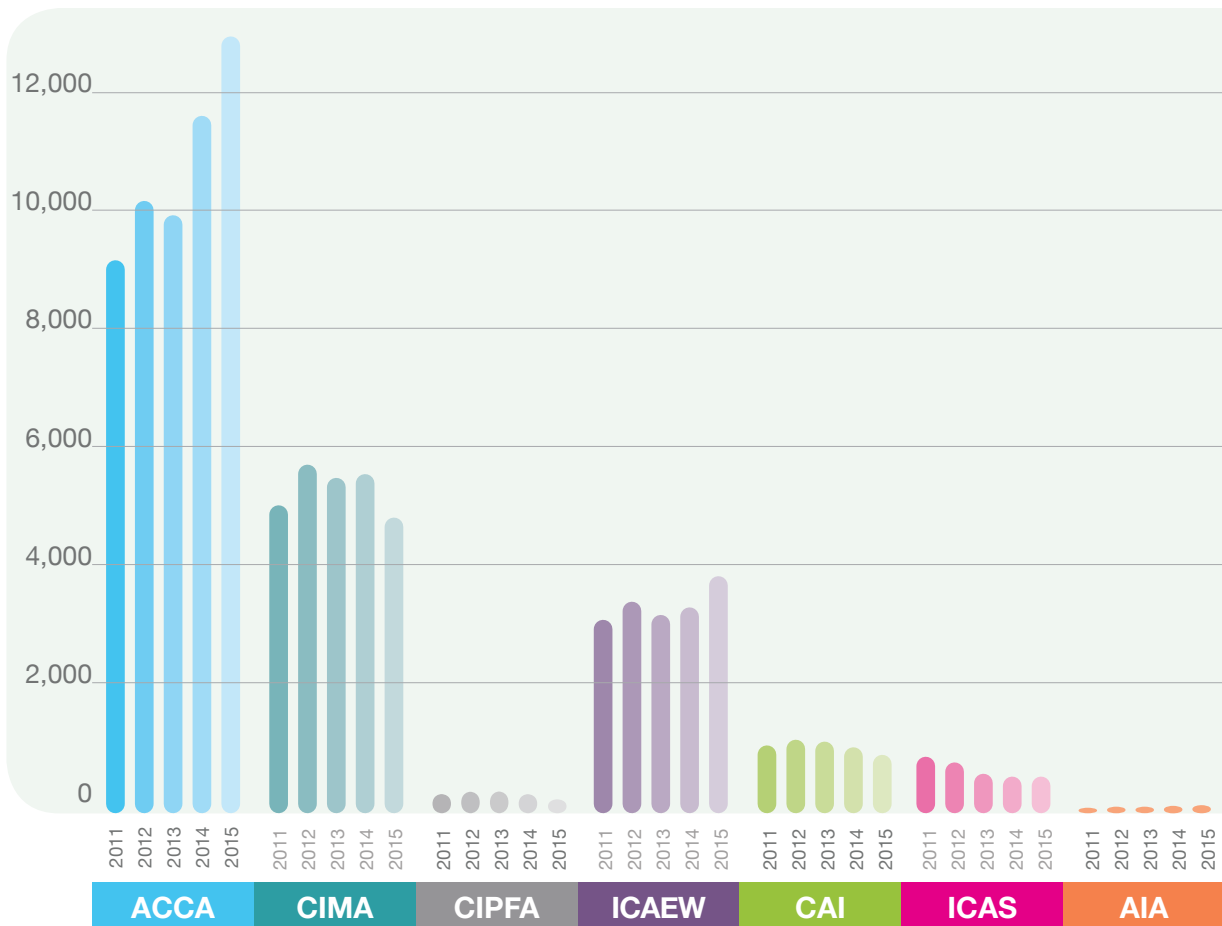


Figure 4

ACCA, ICAEW, ICAS and AIA have experienced an increase in the number of students who became members in 2015 compared to 2014.

ICAEW has seen an increase of 15.9% in the number of students becoming members in 2015 compared to 2014, whereas CIPFA has experienced a decline of 35.3% over the same period.

Sectoral Employment of Members and Students Worldwide

Figure 5 shows the percentages of worldwide members and students of the accountancy bodies, according to their sectoral employment⁴ at the end of 2015.

There are few CIMA, CIPFA and AIA members employed in practice, at 2%, 3% and 7% respectively.

CIPFA is the only accountancy body with the majority of its members (58%) employed in the public sector.

Over 95% of ICAS students are in practice. In contrast 15% of ACCA students, and 1% or less of CIPFA, CIMA and AIA students, are employed in practice.

CIMA has the highest percentage of students in industry and commerce (79%). Collectively, 54% of students are in industry and commerce across the accountancy bodies.

Across the accountancy bodies, 18% of students are employed in practice and 10% in the public sector.

ACCA students are the most evenly dispersed across the different employment sectors.

4 (i) The ICAS figure for industry and commerce includes students working within the public sector.
(ii) 'Other' for members includes those members who are unemployed, taking a career break, undertaking full time study, on maternity leave, and any members who are unclassified, for example, because they have not provided the information. In the case of CAI, all such members are included in their most recent employment category where available. ICAEW includes members working within the charity sector under 'Public Sector'.
(iii) ACCA define 'other' for students not in employment, employed in other sectors, those in full time education, independent students for whom no information on their employment is available and those individuals who have passed their final examinations and are entitled to membership but have yet to be admitted.



Sectoral Employment of Members and Students Worldwide 2015

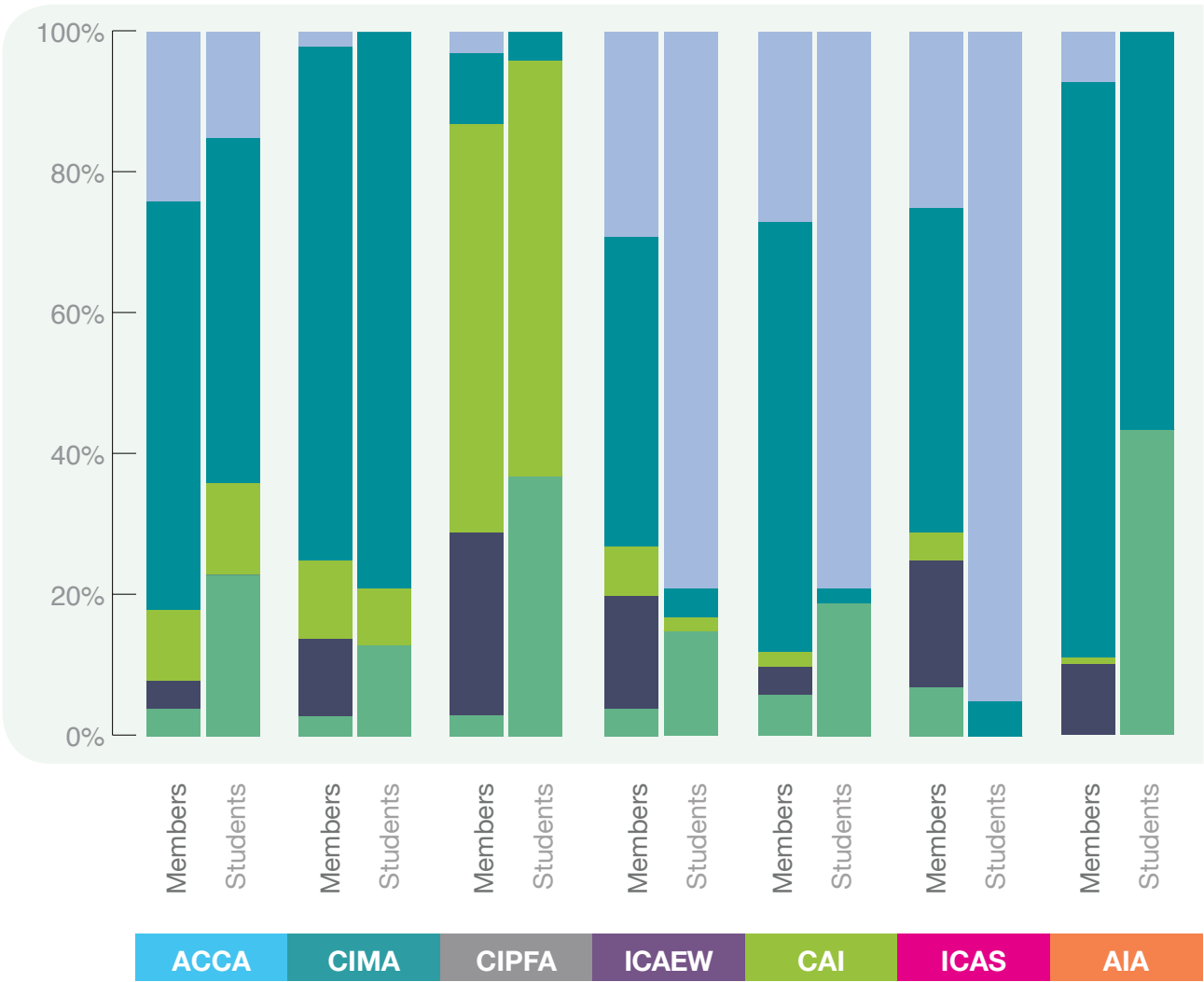
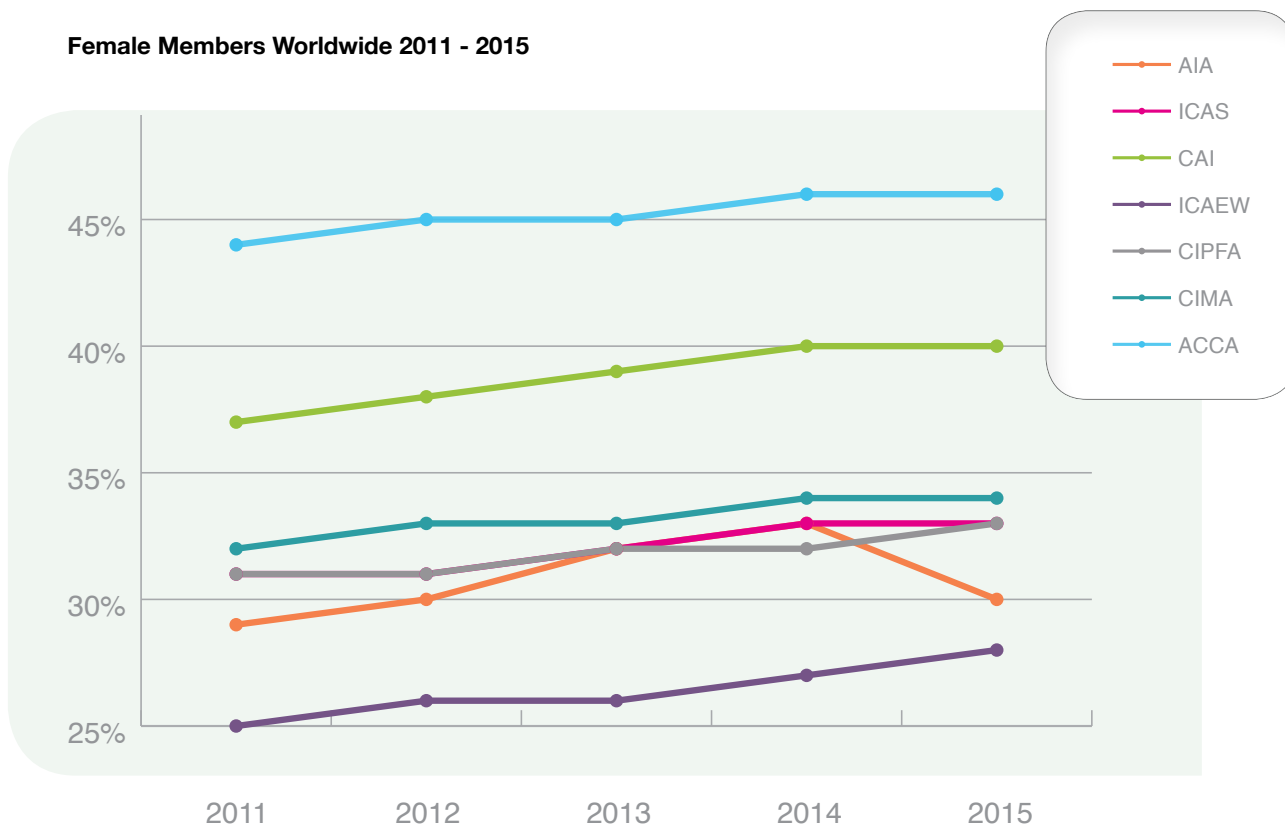


Figure 5

Gender of Members and Students Worldwide

Figure 6a and 6b show the percentage of female members and students⁵ worldwide of the accountancy bodies as at 31 December for the five years to 31 December 2015.

Female Members Worldwide 2011 - 2015



% Female Members Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	44	32	31	25	37	31	29	33
2012	45	33	31	26	38	31	30	33
2013	45	33	32	26	39	32	32	34
2014	46	34	32	27	40	33	33	35
2015	46	34	33	28	40	33	30	35

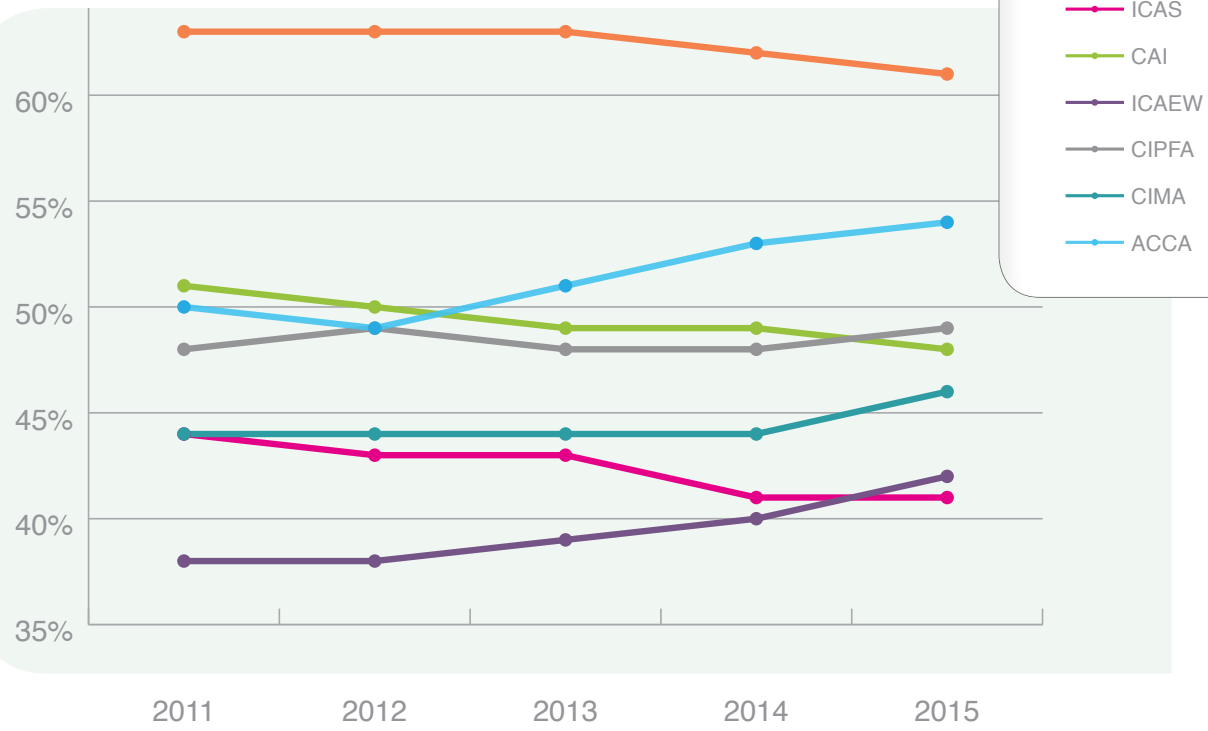
Figure 6a

The average proportion of female members has slightly increased from 33% as at 31 December 2011 to 35% as at 31 December 2015.

ACCA has the largest proportion of female members of the accountancy bodies.

⁵ CAI and ICAS figures refer to the proportion of females in the student intake, not in the student body as a whole.

Female Students Worldwide 2011 - 2015



% Female Students Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	50	44	48	38	51	44	63	48
2012	49	44	49	38	50	43	63	48
2013	51	44	48	39	49	43	63	48
2014	53	44	48	40	49	41	62	48
2015	54	46	49	42	48	41	61	49

Figure 6b

AIA and ACCA are the only accountancy bodies where over half of the students are female as at 31 December 2015.

Across the accountancy bodies, the total proportion of female students (49%) is significantly higher than the percentage of female members (35%).

Age of Members and Students Worldwide

Figures 7 and 8 compare the age distribution of worldwide members and students⁶ of the accountancy bodies as at 31 December, for 2011 and 2015.

Age of Members

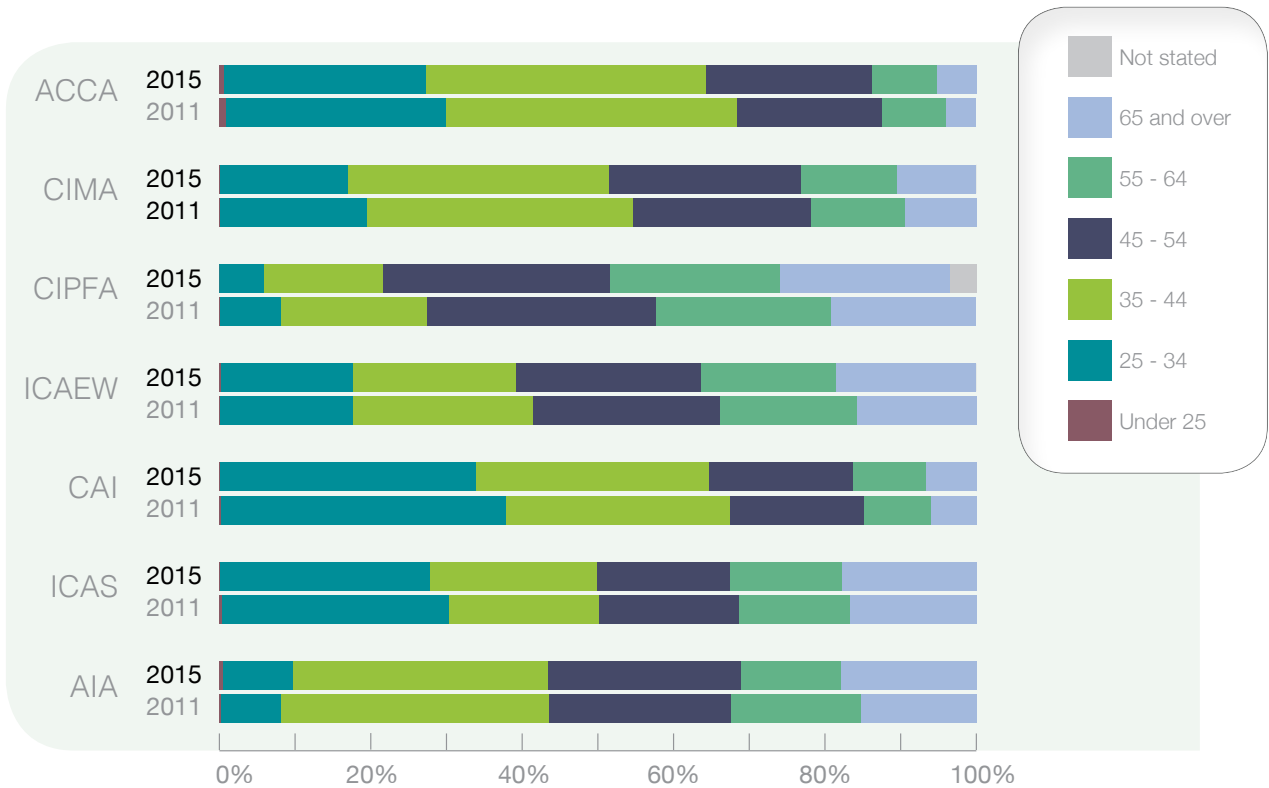


Figure 7

There are significant differences in the age profiles of worldwide members of the accountancy bodies. ACCA and CAI have the youngest population of members, with 64% and 65% respectively younger than 45 years as at 31 December 2015.

As at 31 December 2015, 50% or more of CIPFA, ICAEW, ICAS and AIA members were aged 45 or over.

CIPFA has the oldest age profile of members of the accountancy bodies, with 75% being aged 45 or over as at 31 December 2015, compared to 73% as at 31 December 2011.

⁶ ICAEW figures relate to the age of the student intake, not the ages of all students.

Age of Students

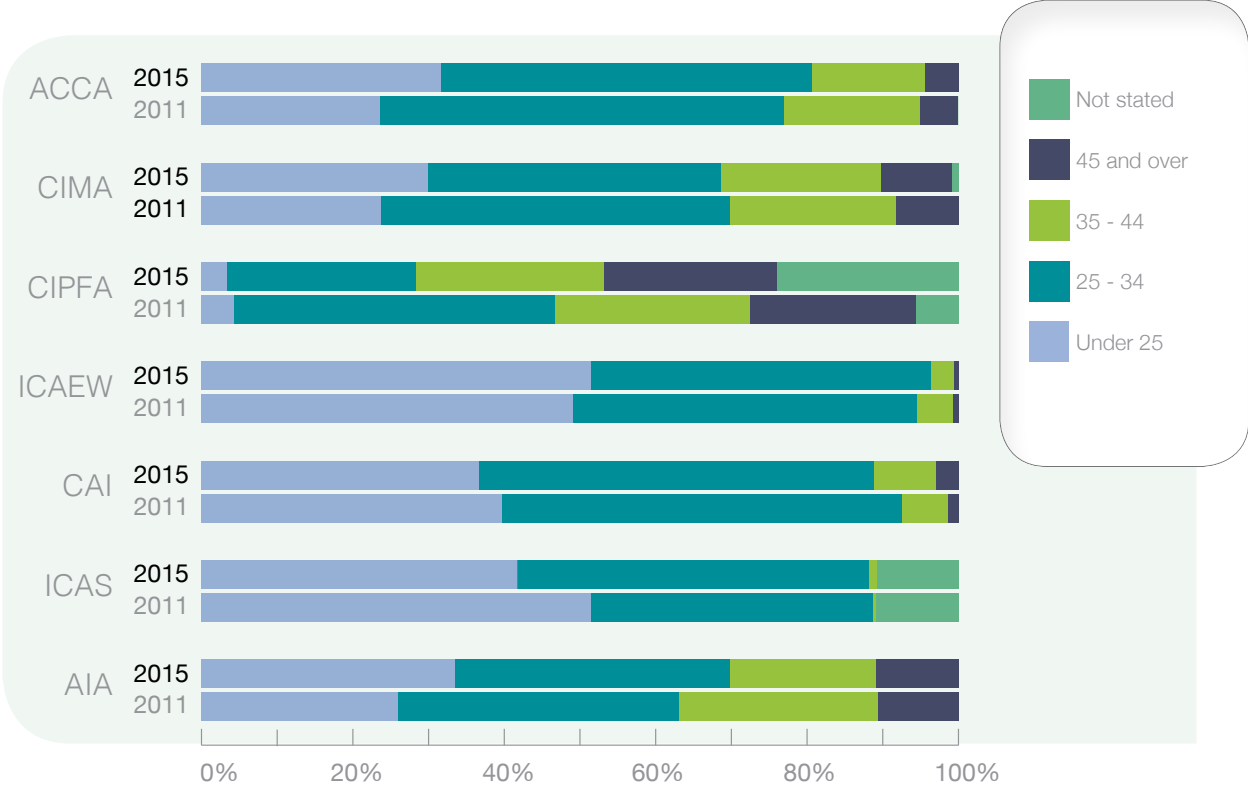


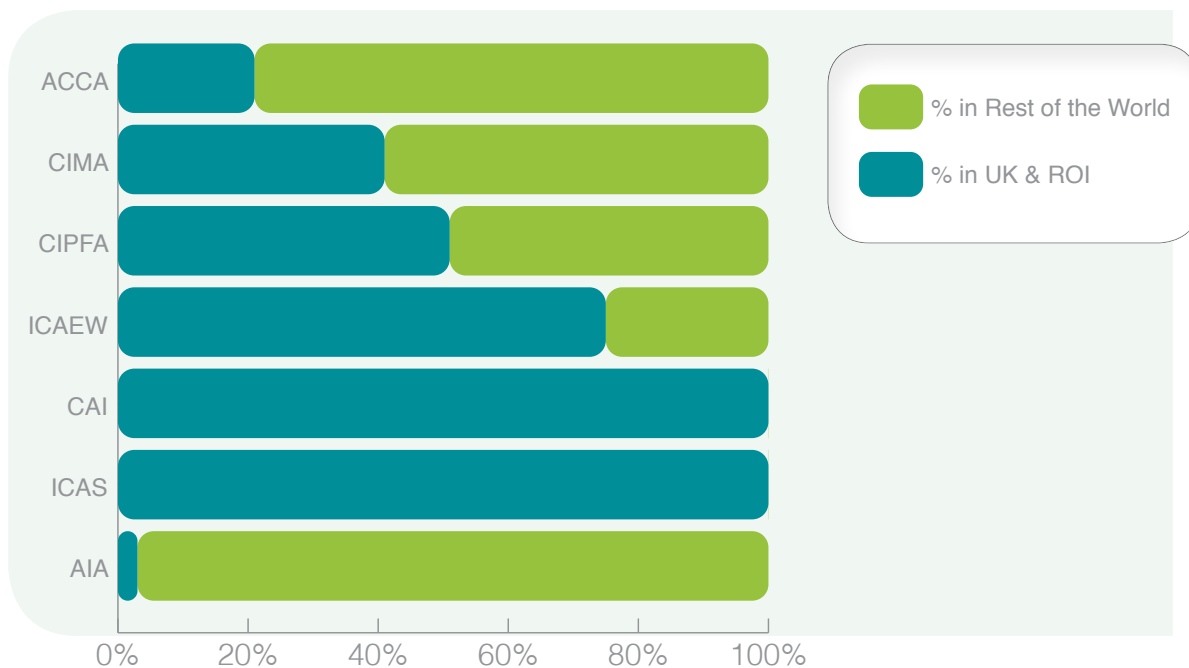
Figure 8

CIPFA has the highest proportion of mature students of the accountancy bodies, with 48% of students being aged 35 or over as at 31 December 2015.

ICAEW, CAI and ICAS have the highest proportion of students aged 34 or under (at 96%, 89% and 88% respectively) as at 31 December 2015.

Location of Students

Figure 9 shows the location⁷ (UK and ROI, and the rest of the world) of students of the accountancy bodies as at 31 December 2015.



	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
UK & ROI	81,460	51,677	1,937	18,165	6,623	3,350	201	163,413
Rest of the World	307,176	74,086	1,842	5,984	4	16	7,273	396,381
TOTAL	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794

Figure 9

CAI and ICAS have very low proportions of students based outside of the UK and ROI.

In contrast, ACCA and AIA have 79% and 97% respectively of students based outside the UK and ROI.

CIPFA's developing work overseas has led to an increase in new overseas students with 49% based outside the UK and ROI as at December 2015 compared with 40% as at 31 December 2014.

⁷ The location of students is based on the registered address supplied to the accountancy body and may be either their place of employment or their place of residence.

Profile of Students Worldwide of Seven Accountancy Bodies

Figure 10 sets out, on a worldwide basis, the length of time that individuals have been registered as students with the accountancy bodies⁸.

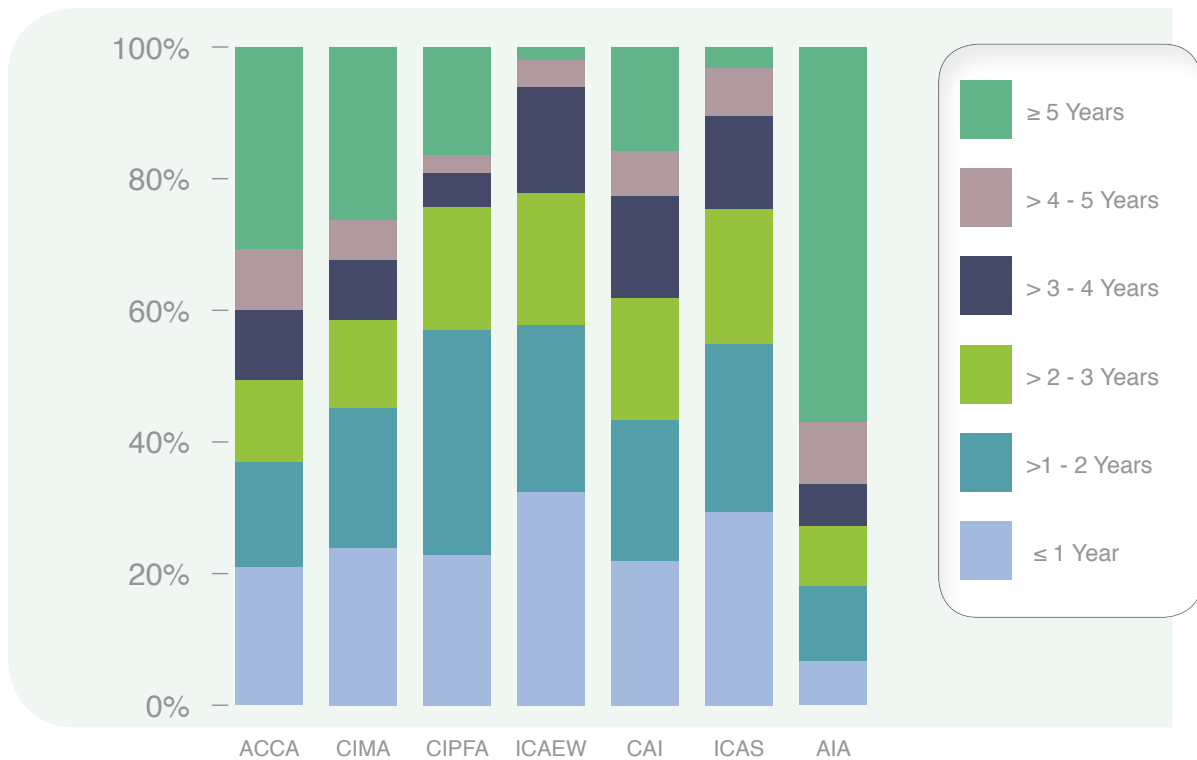


Figure 10

Figure 10 must be read with caution as there is not a common basis for determining the length of time between registering as a student and achieving the requirements for membership⁹.

Students at ACCA, CIMA, and AIA do not typically undertake intensive study and generally take longer to complete the requirements for membership, compared to students of the other accountancy bodies.

A high percentage of ICAEW and ICAS students complete their training in 4 years or less, with only 6% and 10% of students respectively being registered for more than 4 years, as at 31 December 2015.

⁸ The information from CIPFA is only available since their move to a new business system in late 2009. The number of students shown in the > 4 - 5 years category includes information on students transferred from their previous system and data for the ≥ 5 years category is not available.

⁹ Individuals at CIMA who are entitled to membership but have not yet been admitted (passed finalists) are included in the figures according to the length of time they have been either a student or a passed finalist.

Graduate Entrants to Training

Figure 11 shows the percentage of worldwide students of each accountancy body who, at the time of registration as students, were (i) graduates of any discipline and, of those, (ii) graduates who held a “relevant degree”¹⁰.

Percentage of Students holding a degree/ relevant degree 2015

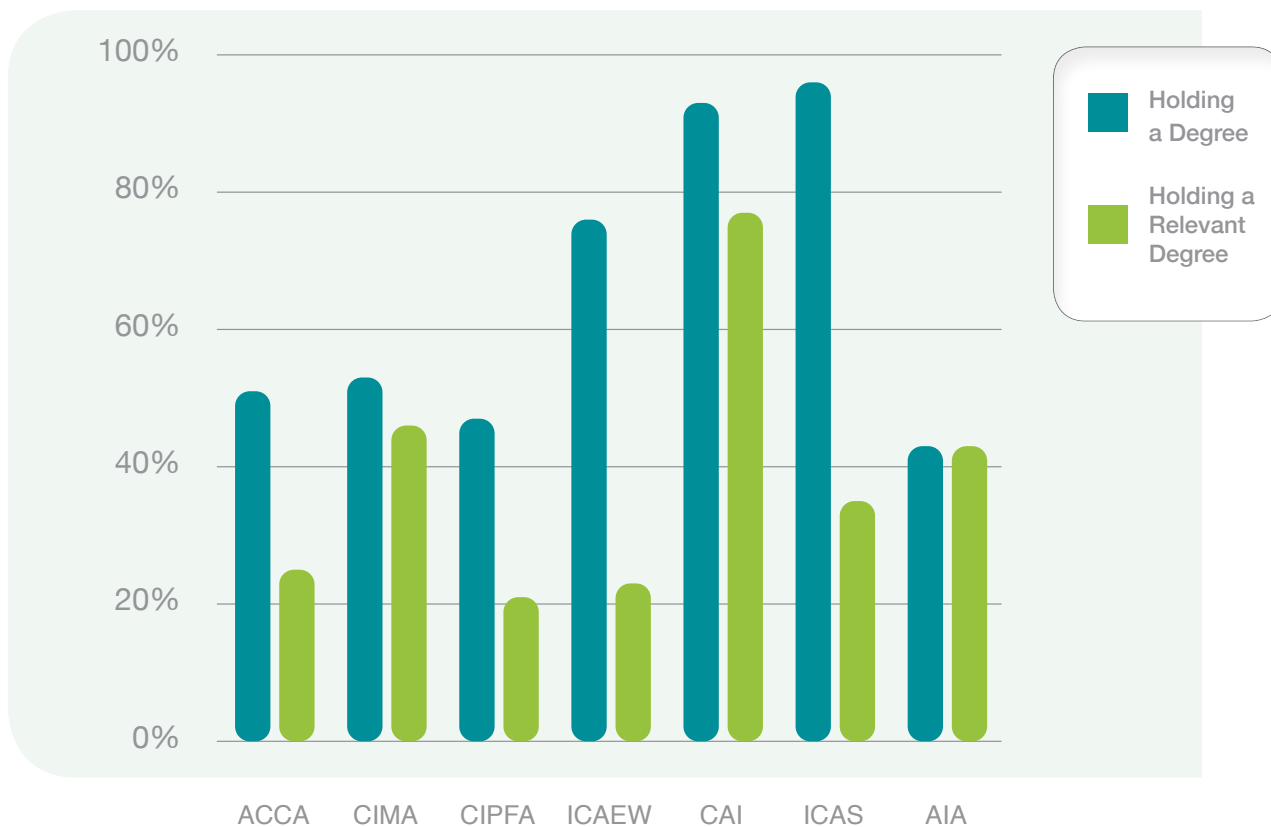


Figure 11

Comparisons of the percentage of students holding “relevant degrees” are difficult to draw because the accountancy bodies use different definitions of a “relevant degree”.

The accountancy bodies do not require entrants to training to hold a university degree. The accountancy bodies offer a range of entry routes which vary between the bodies.

¹⁰ The accountancy bodies' definitions of a “relevant degree” are as follows:
 ACCA - Accountancy, Finance, Accountancy & Finance
 CIMA - Business Studies, Business Administration, Finance, Accountancy
 CIPFA - Accountancy
 ICAEW - Accountancy, Finance, Accounting & Finance
 CAI - Accountancy, Business & Commerce, Finance
 ICAS - Accountancy
 AIA - Accountancy, Business, Finance, Accounting & Finance

The Association of Accounting Technicians (AAT)

Members and Students in the UK and ROI and Worldwide

For the first time information provided by AAT has been included in this publication. The AAT qualification is an entry level qualification for some of the chartered accountancy bodies included in this publication. Figure 12 shows the number of AAT members and students as at 31 December 2014 and 2015, and the growth rates for AAT members and students between 2014 and 2015. Figure 13 shows the age distribution of AAT members and students as at 31 December 2015.

Number of AAT members and students and growth rate for 2014 to 2015

	UK & ROI		Worldwide	
	Members	Students	Members	Students
2014	48,027	71,436	49,871	77,703
2015	47,997	74,498	49,795	79,565
% growth (14 - 15)	-0.1	4.3	-0.2	2.4

Figure 12

Between 2014 and 2015, the number of members fell by 0.1% in the UK and ROI and 0.2% worldwide.

Between 2014 and 2015, the number of students increased by 4.3% in the UK and ROI and 2.4% worldwide.

Age distribution of members and students for 2015

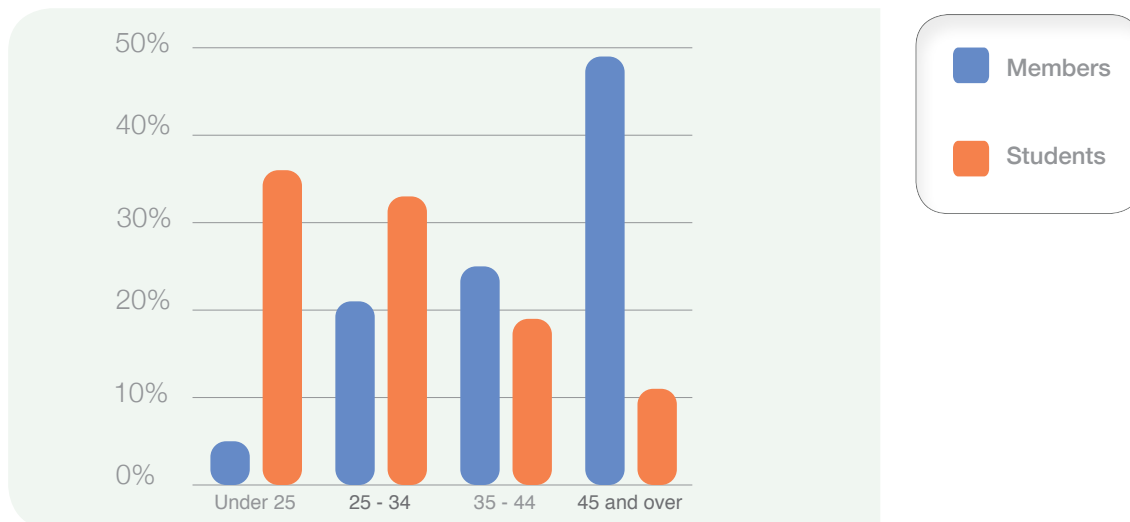


Figure 13

As at 31 December 2015, 49% of AAT members are aged 45 and over.

As at 31 December 2015, nearly 70% of students were younger than 34 years.

AAT Resource Information

Figure 14 shows an analysis of AAT's income and staffing levels for 2014 and 2015.

£m	2014	2015
Fees & Subscriptions	13.21	14.42
Education & Exam Fees	11.11	11.31
Regulation & Discipline	0.01	0.02
Commercial Activities	0.33	0.33
Other (Including Investment Income)	1.06	1.03
Total Income	25.72	27.11
Number of Staff	218	235

Figure 14

All income sources, apart from 'Other', experienced increases which resulted in a 5.4% growth of AAT's total income from 2014 to 2015.

In 2015 the majority of AAT's income was from fees and subscriptions and education and exam fees, constituting 95% of total income.

Section Three Resource Information on Accountancy Bodies

Income of Accountancy Bodies

Figures 15 to 17 show the income, average income per member/student and analysis of income of the accountancy bodies on a worldwide basis, from 2011 to 2015^{1&2}.

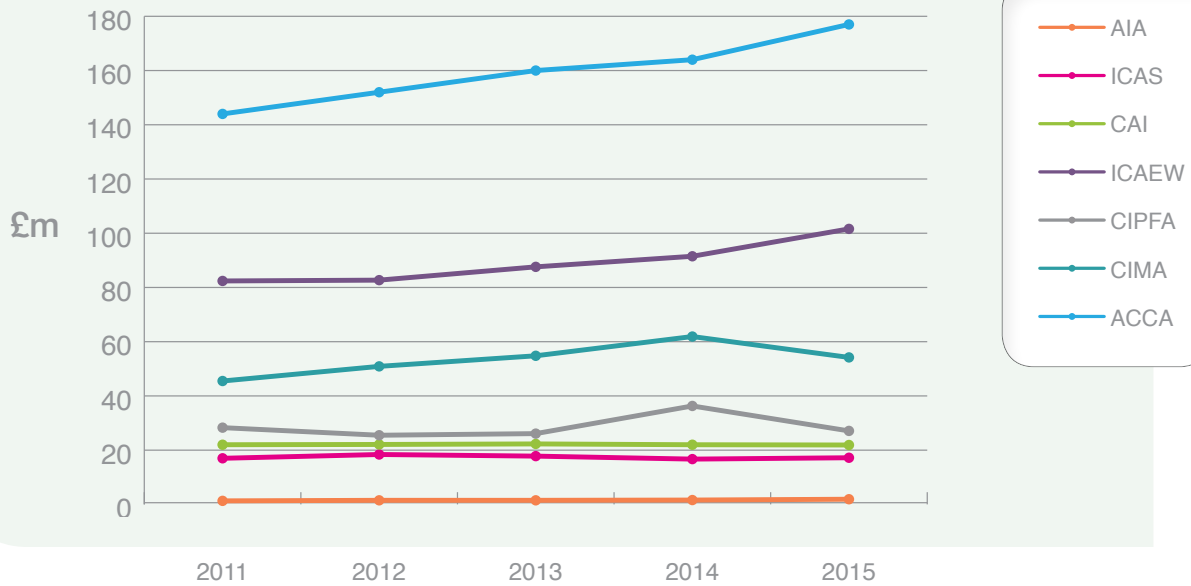


Figure 15

CIPFA has seen a 25% decrease in income between 2014 and 2015. In 2014, CIPFA's income included the one off impact of the sale of three London properties³.

CIMA experienced a 12% fall in income due to the introduction a new assessment platform for student exams, which meant that fewer students sat exams in the year³.

There was an 11% increase in income for ICAEW from 2014 to 2015. Around half of this growth is from recovered fines and costs imposed by FRC in relation to disciplinary cases of ICAEW members and member firms³.

The aggregate compound annual income growth rate for the accountancy bodies was 4.2% from 2011 to 2015.

1 The ACCA's figures are for the year to 31 March. ACCA's figures to 31 March 2016 are provisional.

2 CAI income has been converted from Euros at the year-end rate. As at 31 December 2015 the rate was £1.00 = €1.36

3 Sourced from the respective accountancy body.

Average Income per Member and Student⁴

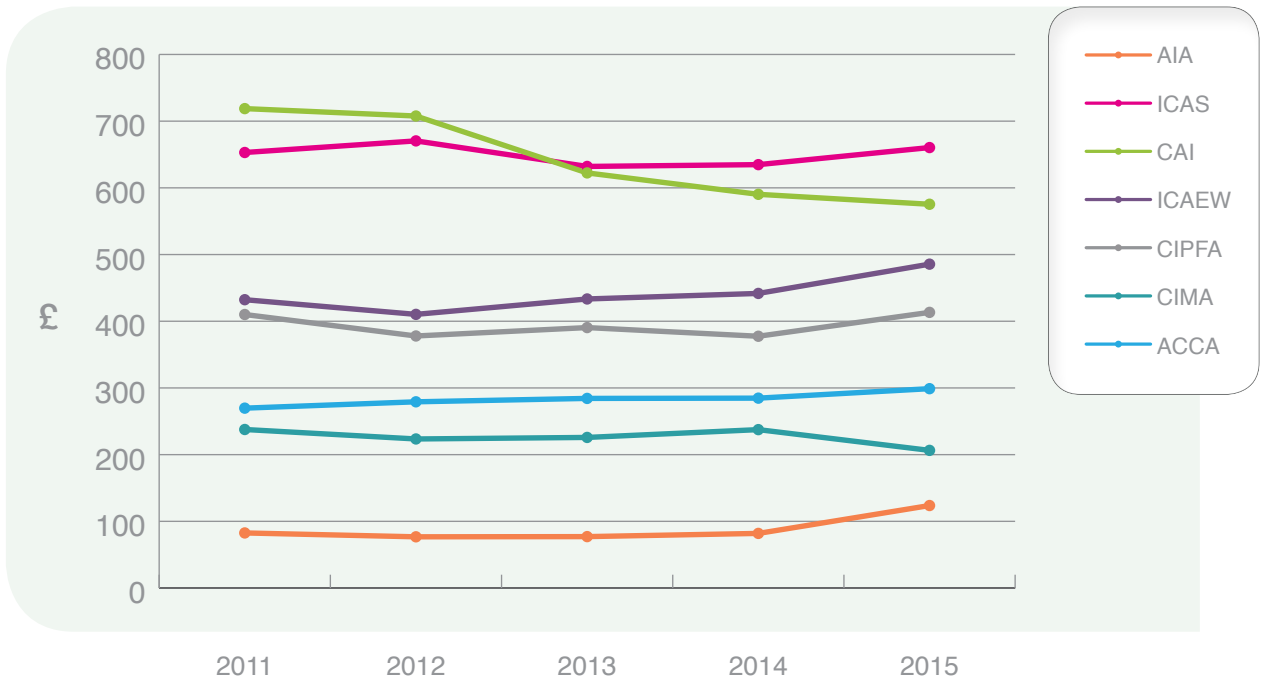


Figure 16

CIMA and CAI experienced a drop in the average income per member and student between 2011 and 2015 of 13.2% and 19.9% respectively.

⁴ The average income per member and student is calculated from the income of the accountancy body, excluding Commercial Activities and Other from Figure 16.

Breakdown of Income

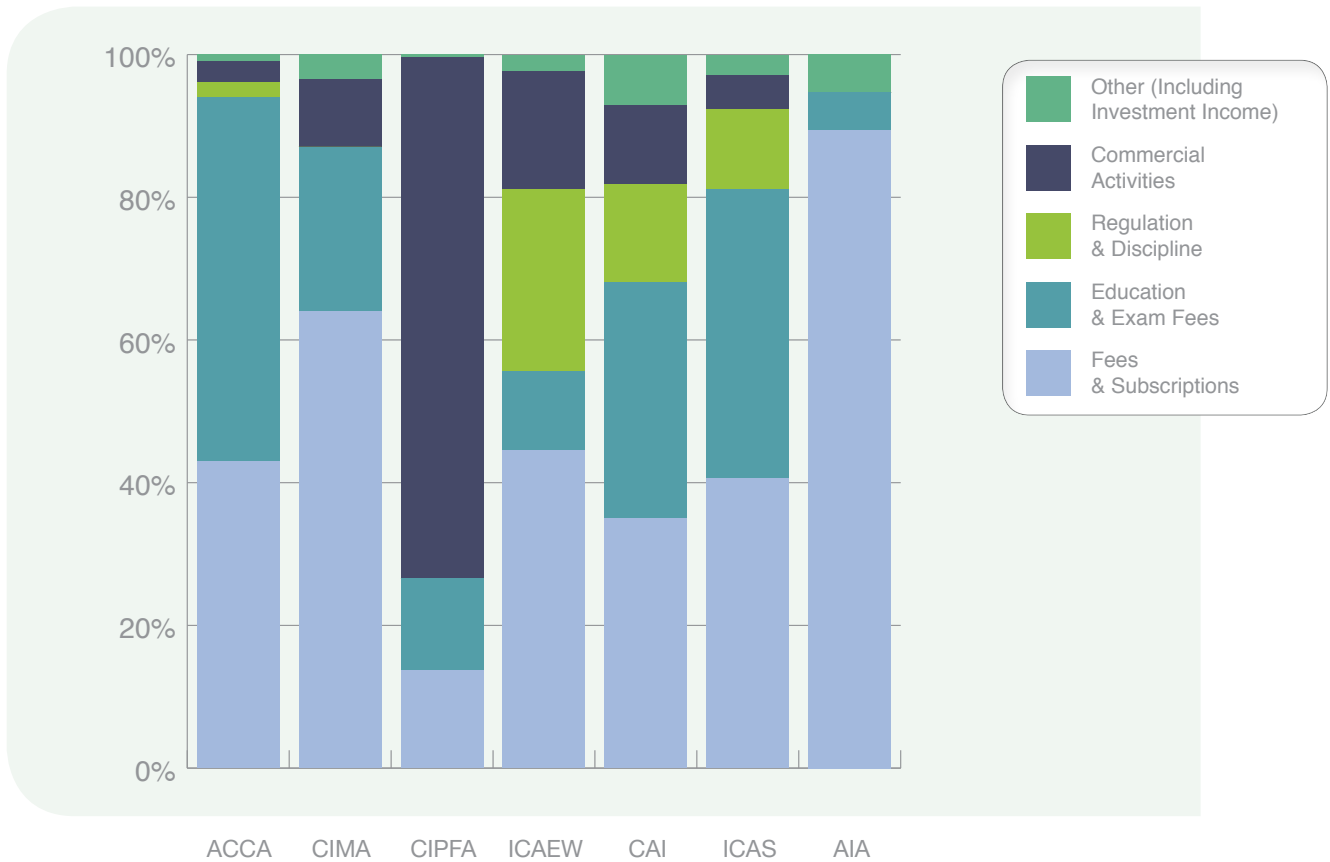


Figure 17

Fees and subscriptions taken together with education and exam fees from members and students are the main sources of income for each of the accountancy bodies other than CIPFA⁵.

Fees and subscription make up the vast majority of AIA's income (89%). CIPFA's income mainly comes from Commercial Activities⁵ (73%).

⁵ CIPFA derives significant income from its trading subsidiary which has been included within the commercial activities category. The activities of the trading subsidiary include consultancy, events, publications and training.

Staffing of Seven Accountancy Bodies

Figure 18 shows the number of staff⁶ (full time equivalent) employed worldwide by the accountancy bodies from 2011 to 2015.

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	1,032	378	272	657	135	135	25	2,634
2012	1,061	415	228	652	134	140	25	2,655
2013	1,098	420	237	646	134	137	26	2,698
2014	1,137	454	256	667	140	138	26	2,818
2015	1,199	459	274	693	147	142	26	2,940
% growth (14-15)	5.5	1.1	7.0	3.9	5.0	2.9	0.0	4.3
% growth (11-15)	16.2	21.4	0.7	5.5	8.9	5.2	4.0	11.6
% compound annual growth (11-15)	3.8	5.0	0.2	1.3	2.2	1.3	1.0	2.8

Figure 18

The total number of staff employed by the accountancy bodies has increased by 11.6% from 2011 to 2015.

The total number of staff employed by the accountancy bodies increased by 4.3% in 2015. All of the accountancy bodies have seen either consistent or increasing staffing levels between 2014 and 2015.

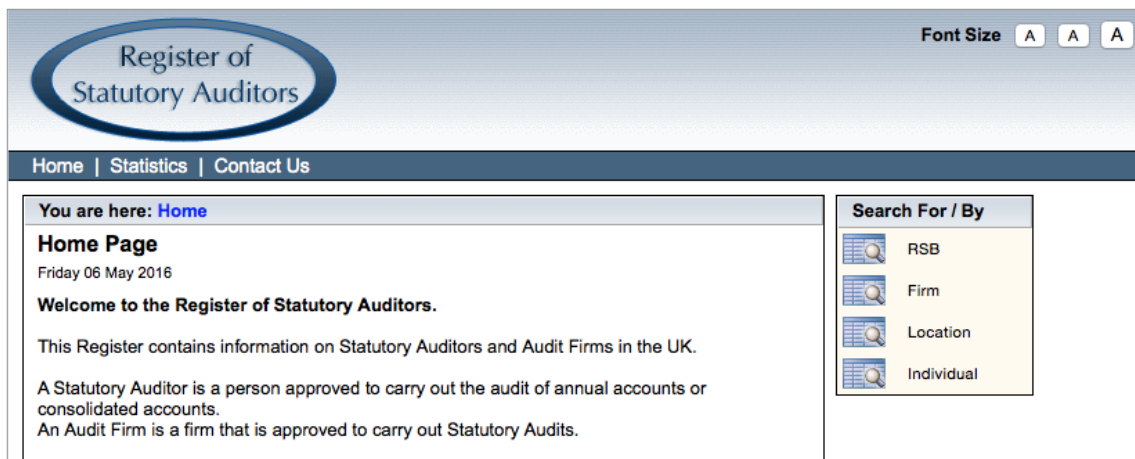
⁶ The 2014 figure for CIPFA is not comparable with previous years or with the other accountancy bodies as CIPFA has provided an average number of staff for 2014.

Section Four Oversight of Audit Regulation

Recognised Supervisory Bodies (RSBs)

The FRC recognises five accountancy bodies, known as RSBs¹, to register and supervise audit firms in accordance with the requirements of Schedule 10 to the Companies Act 2006 (the Act). The RSBs meet the requirements of the Act through four main processes; audit registration, audit monitoring, arrangements for the investigation of complaints, and procedures to ensure that those eligible for appointment as a statutory auditor continue to maintain an appropriate level of competence. This section reflects the oversight regime as at 31 December 2015. From 17 June 2016, the roles and responsibilities of the FRC and the RSBs changed as a result of the implementation of the EU Audit Regulation and Directive. The FRC became the competent authority for audit. For further information please see the FRC website, www.frc.org.uk

The RSBs have a 'Register of Statutory Auditors' (maintained by ICAS) which can be found at: <http://www.auditregister.org.uk/Forms/Default.aspx>



This Register contains information on Statutory Auditors² and Audit Firms³ in the UK. Within the register you can search for the following information by RSB, Firm, Location or Individual:

- **RSB** – shows contact details for all RSBs and details of the audit firms registered by them;
- **Firm** – shows details of audit registered firms, which RSB has registered them and the Individuals linked to them;
- **Location** – shows the full address of the Firms and RSBs and Individual details; and
- **Individual** – shows the names of those Individuals eligible for appointment as a Statutory Auditor.

1 AAPA (subsidiary of the ACCA), ACCA, ICAEW, CAI and ICAS

2 A Statutory Auditor is a person approved to carry out the audit of annual accounts or consolidated accounts.

3 An Audit Firm is a firm that is approved to carry out Statutory Audits.

Number of Firms Registered with the RSBs

Figure 19 details the number of registered audit firms for the five RSBs split by the number of principals at each firm as at 31 December for the five years to 31 December 2015.

Number of Firms Registered with the RSBs

Number of Principals in Firm	ACCA	AAPA	ICAEW	CAI	ICAS	TOTAL
1	1,349	18	1,306	465	65	3,203
2 - 6	599	4	1,682	407	115	2,807
7 - 10	8	0	157	9	9	183
11 -50	4	0	97	10	8	119
50+	0	0	14	3	2	19
Total as at 31.12.15	1,960	22	3,256	894	199	6,331
Total as at 31.12.14	2,032	30	3,435	930	208	6,635
Total as at 31.12.13	2,139	39	3,592	972	220	6,962
Total as at 31.12.12	2,255	49	3,728	986	221	7,239
Total as at 31.12.11	2,224	57	3,864	995	235	7,375

Figure 19

The number of firms registered to carry out statutory audit work in the UK continues to fall. The number of registered audit firms fell by 4.6% in 2015 compared with 4.9% in 2014.

More than 50% of registered audit firms are sole practitioners; however, the number of sole practitioners fell by 6.4% in 2015. The number of sole practitioner audit firms has declined each year since 2003⁴.

The decrease in the number of registered audit firms has coincided with an increase in the proportion of companies filing annual accounts at Companies House that are audit exempt, from 71% in 2010/11 to 73% in 2014/15⁵. This follows increases in the audit exemption threshold in 2004 and 2008.

⁴ This information has been derived from previous editions of Key Facts and Trends in the Accountancy Profession.

⁵ See 'Companies Registration Activities 2014-15' spreadsheet on the Companies House website: <https://www.gov.uk/government/statistics/companies-register-activities-statistical-release-20142015>

Statutory Audit Firm Applications to RSBs

Figure 20 details the number of Statutory Audit Firm applications by firms split by; New, Refused, Voluntarily Surrendered, or Withdrawn for the four⁶ RSBs as at 31 December for the three years to 31 December 2015.

Applications to become a registered audit firm

Applications		New	Refused	Voluntarily Surrendered	Withdrawn by the RSB
2013	ACCA	94	0	N/A	N/A
	ICAEW	211	0	N/A	N/A
	CAI	45	1	N/A	N/A
	ICAS	12	0	N/A	N/A
TOTAL		362	1	0	0
2014	ACCA	76	0	183	9
	ICAEW	172	2	315	19
	CAI	55	2	95	2
	ICAS	1	0	16	0
TOTAL		304	4	609	30
2015	ACCA	69	0	120	21
	ICAEW	125	0	301	3
	CAI	31	2	66	1
	ICAS	5	0	14	0
TOTAL		230	2	501	25

Figure 20

⁶ ACCA figures include those of AAPA, a subsidiary of ACCA and an RSB

Monitoring of Registered Audit Firms by the FRC's Audit Quality Review (AQR)

The FRC's AQR⁷ team monitors the quality of the audits of listed companies and other major audits and the policies and procedures supporting audit quality at the major audit firms in the UK. The remainder of audit monitoring is conducted by the RSBs.

Figure 21 below gives details of the number of reviews of audits conducted by the AQR during the years ended 31 March 2014 to 31 March 2016.

INSPECTION CATEGORY	Audit Reviews 2015/16	Audit Reviews 2014/15	Audit Reviews 2013/14
UK firms			
Deloitte LLP	22	20	17
Ernst & Young LLP	20	16	16
KPMG LLP/ KPMG Audit Plc	22	20	17
PricewaterhouseCoopers LLP	25	22	19
Big Four firms	89	78	69
RSM LLP	1	-	6
BDO LLP	8	8	-
Crowe Clark Whitehill LLP	-	5	-
Grant Thornton UK LLP	8	8	-
Mazars LLP	1	5	-
Joint audit adjustment	-	-1	-
	107	103	75
Crown Dependency audit firms ⁸	6	2	7
	113	105	82
Third Country Auditors	6	4	3
Private sector audits	119	109	85
National Audit Office	6	6	6
Local Audit	12	11	10
Public Sector audits	18	17	16
Total audits inspected	137	126	101

Figure 21

⁷ For more information on the work performed by the AQR team, please see the FRC's Developments in Audit report, which will be published in July 2016 at www.frc.org.uk

⁸ This total relates to Crown Dependency companies audited by stand-alone Crown Dependency firms. A further 7, 7 and 11 Crown Dependency audits were inspected at the major audit firms in 2015/16, 2014/15 and 2013/14 respectively.

Monitoring of Registered Audit Firms by RSBs

Figure 22 gives details of the number of monitoring visits to registered audit firms conducted by the RSBs during the years ended 31 December 2011 to 31 December 2015, and the proportion of registered audit firms that were visited during these years. It is a statutory requirement that the RSBs monitor the activities undertaken by each registered audit firm at least once every six years.

		ACCA ⁹	ICAEW	CAI	ICAS	TOTAL
2011	No	373	716	22	56	1,167
	%	16.4	18.5	2.2	23.8	15.8
2012	No	579	691	126	40	1,436
	%	25.1	18.5	12.8	18.1	19.8
2013	No	471	670	169	41	1,351
	%	21.6	18.7	17.4	18.6	19.4
2014	No	398	656	224	39	1,317
	%	19.3	19.1	24.1	18.8	19.8
2015	No	505	615	244	38	1,402
	%	25.5	18.9	27.3	19.1	22.1

Registered Audit Firms Monitored during the Year Ended 31 December 2015

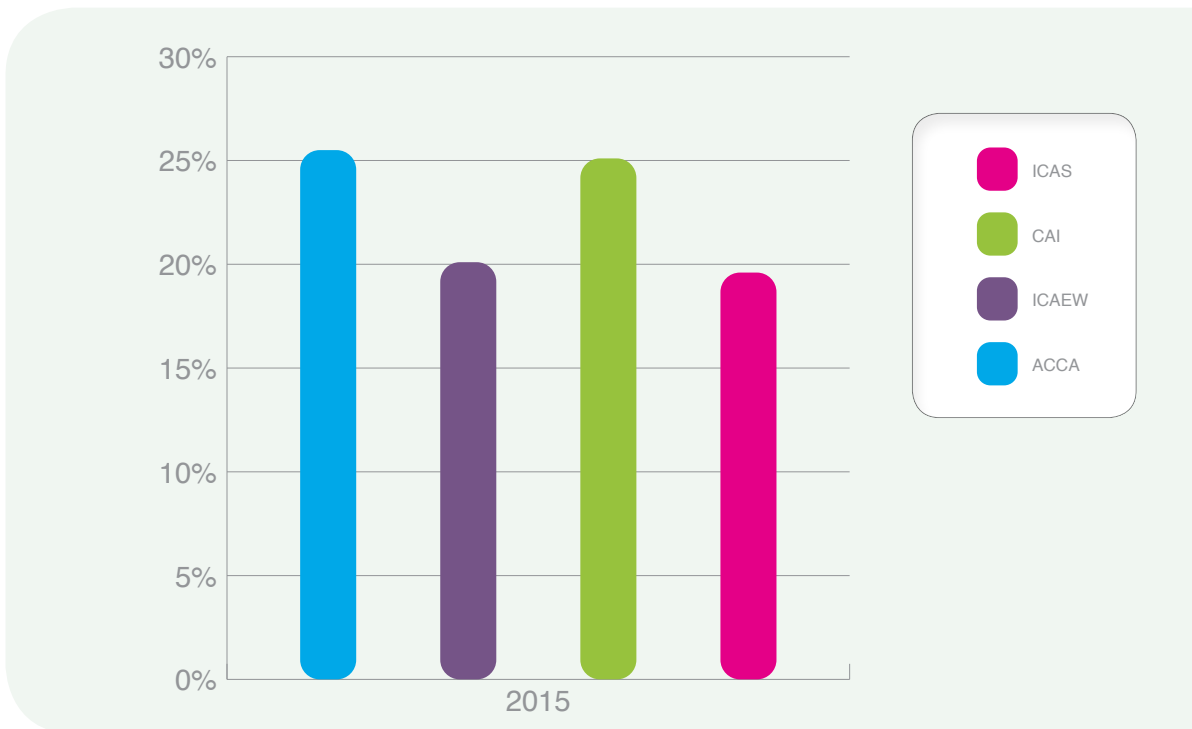


Figure 22

⁹ Includes the figures for the AAPA, a subsidiary of the ACCA.

Reasons for Monitoring Visits to Registered Audit Firms by RSBs

Figure 23 shows the reasons for the monitoring visits to registered audit firms by the RSBs during the years ended 31 December 2013 to 31 December 2015.

Numbers		ACCA	ICAEW	CAI	ICAS	TOTAL
Requested by the registration/licensing committee	2013	53	33	1	18	105
	2014	39	17	1	19	76
	2015	37	9	11	22	79
Specifically selected due to heightened risk	2013	46	21	12	19	98
	2014	54	24	9	17	104
	2015	79	16	0	14	109
Randomly selected	2013	372	566	152	0	1,090
	2014	305	565	211	0	1,081
	2015	389	583	224	0	1,196
Firms with Public Interest Entities visited without AQR involvement ¹⁰	2013	0	37	4	3	44
	2014	0	39	3	3	45
	2015	0	33	9	1	43
Firms with Public Interest Entities visited with AQR involvement ¹¹	2013	0	13	0	1	14
	2014	0	11	0	0	11
	2015	0	4	0	1	5

Figure 23

CAI deployed additional resources to increase the number of visits undertaken in order to meet the Statutory Audit Directive requirement to visit all firms in a six year period.

¹⁰ The bodies visit firms which have public interest entities. These inspections are either delegated to them by the AQR or are outside of the scope of the AQR.

¹¹ This excludes direct inspections by the FRC.

Gradings of Monitoring Visits to Registered Audit Firms by RSBs¹²

Figures 24 to 27 show the grades for the audit monitoring visits conducted by ACCA, ICAEW, CAI and ICAS during the years ended 31 December 2013 to 2015, together with brief explanatory comments from the RSBs where available.

The RSBs are undertaking a joint project with the aim of achieving more consistent data on the quality of audit files reviewed. This has been largely achieved, although there continue to be some differences in the name of the overall grades used by each body for the visit as a whole and in the monitoring process itself.

The monitoring results for any one year cannot usually be directly compared with the results of previous years. This is because the mix of firms selected each year is likely to vary between firms deemed as higher risk, those randomly selected and those firms selected to meet the six year monitoring cycle.

Particular care is needed in interpreting the percentage of “D” outcomes at each RSB, especially given that the sample of firms inspected in any year will often include a disproportionate number of weaker firms selected due to higher risk.

It should also be noted that outcomes reported below include a number of visits to audit-registered firms that had no audit clients.

Association of Chartered Certified Accountants (ACCA)

ACCA		2013	2014	2015
A & B Outcomes	No	323	284	363
	%	69	71	72
C+ Outcomes	No	35	32	43
	%	7	8	9
C- Outcomes	No	13	8	21
	%	3	2	4
D Outcomes	No	100	74	78
	%	21	19	15

Figure 24

Those firms graded ‘A’ are judged to comply with Auditing Standards, ACCA’s Global Practising Regulations (GPRs) and the Code of Ethics and Conduct (CEC) and the Ethical Standards for Auditors (ESA) issued by the FRC. Those firms graded ‘B’ are judged as complying with the GPRs, CEC and the ESA and 50% or more of its audit files inspected complying substantially with relevant Auditing Standards. Those firms graded ‘C+’ are judged as complying with the GPRs, CEC and ESA but its quality controls over audit work are not effective and the majority of the firm’s audit files inspected do not comply with relevant Auditing Standards. Those firms graded ‘C-’ are judged as not complying with the GPRs, CEC and ESA and/ or its audit work does not comply with relevant auditing standards. Firms that are graded A to C- continue to be eligible for audit registration.

When a firm’s work is considered very poor or if a firm has a second or subsequent unsatisfactory visit and there are no mitigating factors the visit is graded ‘D’, which indicates that regulatory action is required and will usually result in a referral to a regulatory assessor or the Admissions and Licensing Committee (ALC). Regulatory action in this context includes ACCA referring the findings of a monitoring visit to the Investigations Department to consider whether disciplinary action is appropriate. A ‘D’ outcome does not always result from an inadequate standard of audit work, as it could be for failure to meet the eligibility requirements for holding a firm’s auditing certificate; it may also indicate a referral to the Investigations Department for other regulation breaches such as non-compliance with client money rules or with the terms of a regulatory order.

¹² All comments are sourced from the respective bodies.

Institute of Chartered Accountants in England & Wales (ICAEW)

ICAEW		2013	2014	2015
A & B Outcomes	No	399	416	420
	%	60	63	68
C Outcomes	No	136	115	83
	%	20	18	14
D Outcomes	No	64	69	48
	%	9	11	8
N Outcomes	No	71	56	64
	%	11	9	10

Figure 25

Those firms graded 'A' are those where there are no instances of non-compliance with the Institute's audit regulations and no follow-up action is required. Those firms graded 'B' are those with evidence of non-compliance with the Audit Regulations, but where the Quality Assurance Directorate (QAD) is confident that the firm's responses, as set out in the closing meeting notes, adequately address all the issues and no follow-up action is required. Those firms graded 'C' are those where there are instances of non-compliance with the Audit Regulations and where the QAD considers that there is some doubt about the actions proposed or the firm's competence, resources or commitment, but have concluded that there is no need for the Audit Registration Committee (ARC) to impose further conditions or restrictions. Those firms graded 'D' are those where there are instances of non-compliance with the Audit Regulations that need to be referred to the ARC for possible further action. An 'N' grade is used for any circumstances that cannot be graded in accordance with the criteria set out above; for example, when a firm wishes to continue with registration but has no audit clients and no audit work has been reviewed; or the firm has applied to withdraw from registration and QAD proposes acceptance. This rating is also applied to 'Year 2' visits to large firms where no audit files are reviewed.

The percentage of visit outcomes requiring no follow up action (A, B and N) is consistent with previous year, whilst the percentage of outcomes requiring follow up action (C and D) has fallen. Although audit quality in individual firms may be improving, the lack of significant change in the overall picture reflects the fact that, apart from the Big Four firms, a different population of audit firms is visited each year.

Chartered Accountants Ireland (CAI)

Chartered Accountants Ireland		2013	2014	2015
A & B Outcomes	No	61	130	130
	%	39	53	49
C Outcomes	No	27	35	22
	%	17	14	8
D Outcomes	No	70	81	114
	%	44	33	43

Figure 26

Those firms graded 'A' are those where no instances of non-compliance have been recorded. Those firms graded 'B' are those where the firm has the ability and commitment to address the issues identified during the visit. Those firms graded 'C' are those where the firm is required to give undertakings in writing to cover the actions they must take; some further follow-up action may be required. Those firms graded 'D' are those where significant issues have been identified, which will always require follow-up action and be considered by the Head of Quality Assurance and by the Quality Assurance Committee (QAC).

The number of firms achieving a good or satisfactory result has decreased to 57% in 2015 compared to 67% in 2014. This fluctuation is affected by factors such as there being a number of firms receiving their first monitoring inspection visit in the year. Further, more generally the population of the firms monitored differs from one year to the next and the outcomes will vary accordingly.

Institute of Chartered Accountants of Scotland (ICAS)

ICAS		2013	2014	2015
A & B Outcomes	No	24	21	28
	%	58	54	73
C2 Outcomes	No	6	5	4
	%	15	13	11
C1 Outcomes	No	6	11	3
	%	15	28	8
D Outcomes	No	5	2	3
	%	12	5	8

Figure 27

Those firms graded 'A' are those where no issues have been identified and no follow-up action is needed. Those firms graded 'B' are those where some regulatory issues were identified, however these issues have been addressed adequately by the firm's closing meeting responses and no further action is required. Those firms graded 'C' are those where there are regulatory issues and there is a need for the firm to submit evidence of action taken in a restricted area. The 'C' grading is split into a 'C1' or 'C2' grading with 'C1' being more serious and where one or more of the issues identified are considered to be pervasive; whereas 'C2' is where findings are specific to particular individuals or files and do not indicate systemic problems. Those firms graded 'D' are those when the standard of compliance is such that the Audit Registration Committee (ARC) needs to consider appropriate follow-up action, such as imposition of conditions and restrictions or withdrawal of registration.

In general, the monitoring results of 2015 are not directly comparable with those of previous years, as the nature of the monitoring process is such that, in order to visit every firm in a six year cycle, the individual firms visited in one year will be completely different from the firms visited in another year and the outcomes will vary accordingly.

Complaints about Auditors made to RSBs

Figure 28 shows the number of audit related complaints received by the RSBs between 2013 to 2015 and shows the (i) number of new Cases, (ii) number of Cases passed to the FRC Professional Discipline Team, (iii) number of Cases passed to the Committee¹³, (iv) number of Cases closed in the year and (v) average time taken to close a Case.

		ACCA	ICAEW	CAI ¹⁴	ICAS	TOTAL
Number of New Complaints Cases	2013	48	87	44	3	182
	2014	31	64	22	3	120
	2015	61	43	13	3	120
Number of Cases referred to the FRC	2013	0	0	0	0	0
	2014	0	0	0	0	0
	2015	0	0	0	0	0
Number of Cases passed to the Committee	2013	8	49	11	2	70
	2014	27	56	21	1	105
	2015	14	29	13	1	57
Number of Cases closed in the year	2013	16	61	4	1	82
	2014	31	86	25	2	144
	2015	60	46	12	4	122
Average time taken to close a Case (in months)	2013	11.2	13	4.0	3.2	
	2014	5.0	13	3.6	2.9	
	2015	5.1	15	5.7	5.0	

Figure 28

¹³ Cases passed to the Committee relate to: A) the Disciplinary Committee for the ACCA; B) Cases considered by the Investigations Committee and referred to the Disciplinary Committee for the ICAEW; C) the Complaints Committee, Disciplinary Committee and Appeal Committee for the CAI; and D) the Investigation Committee at ICAS.

¹⁴ CAI figures for 2013 include all types of complaints.

Recognised Qualifying Bodies (RQBs)

There are six accountancy bodies¹⁵ in the UK recognised to offer the audit qualification in line with the requirements of Schedule 11 to the Companies Act 2006 (termed “RQBs”). RQBs must have rules and arrangements in place to register students and track their progress, administer examinations and ensure that appropriate training is given to students in an approved environment.

Figure 29 shows the number of students registered with each RQB¹⁶, the number of members who were awarded the audit qualification and the number of students following the audit route or eligible for the audit qualification as at 31 December 2013 to 2015¹⁷.

		ACCA	ICAEW	CAI	ICAS	AIA
Number of students in the UK and ROI	2013	85,259	15,553	6,431	2,978	285
	2014	83,198	16,711	6,539	3,058	270
	2015	81,460	18,165	6,623	3,350	201
Number of students following the audit route or eligible for the audit qualification	2013	N/A	13,304	4,306	N/A	9
	2014	N/A	13,972	4,964	N/A	6
	2015	N/A	15,058	5,168	N/A	5
The number of members who were awarded the audit qualification	2013	135	519	616	370	0
	2014	90	247	546	315	0
	2015	92	1,115	579	32	0
The number of members who hold the audit qualification	2013	3,609	119,213	5,878	10,965	10
	2014	3,494	118,940	6,424	11,265	12
	2015	3,383	119,456	7,003	11,297	11

Figure 29

Many members do not apply for the audit qualification until they wish to be able to sign audit reports. In addition, due to the rise in the audit threshold and the reduction in the availability of audit work, fewer students are able to meet the practical training requirements to be awarded this qualification.

The audit qualifications of some members may be counted twice; firstly by the RQB awarding the qualification and then again if they become a member of another body.

¹⁵ ACCA, AIA, CIPFA, ICAEW, CAI and ICAS.

¹⁶ Due to CIPFA's RQB status being in abeyance for statutory audit purposes they have not provided the figures and we have therefore removed them from this table going forward.

¹⁷ Where N/A is stated the information is not collected by the body.

Approved Training Offices

Figures 30 and 31 show the total number of approved training offices¹⁸ and those training offices approved for training audit students¹⁹ in the UK and ROI from 2011 to 2015.

		ACCA	ICAEW	CAI	ICAS	AIA
No of approved Training Offices in the UK & ROI	2011	4,872	2,906	834	175	0
	2012	4,426	3,022	814	145	0
	2013	4,322	3,167	793	172	17
	2014	4,131	3,363	800	149	11
	2015	3,921	3,595	724	171	11

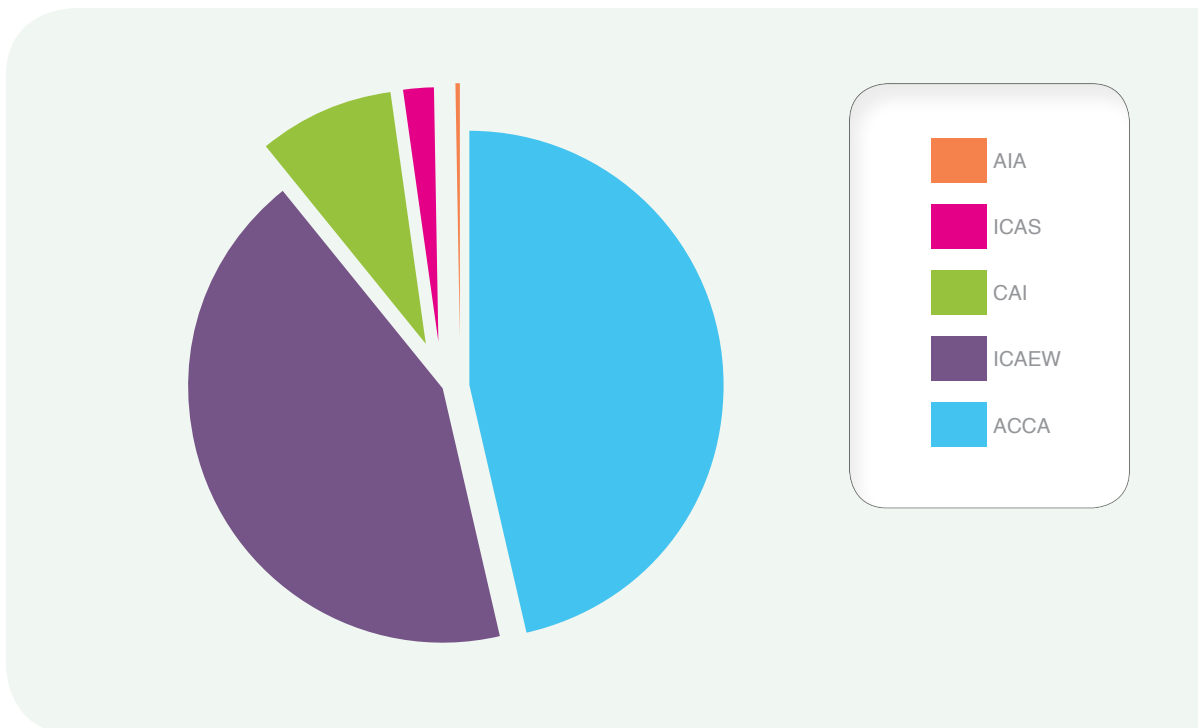


Figure 30

¹⁸ ICAS figures include a number of group authorisations. ICAS treats group authorisations as one office.

		ACCA	ICAEW	CAI	ICAS	AIA
No of approved Training Offices for training audit students in the UK & ROI	2011	3,656	1,529	449	N/A	N/A
	2012	3,527	2,058	453	N/A	N/A
	2013	3,413	2,064	444	N/A	N/A
	2014	3,244	2,042	450	N/A	N/A
	2015	3,092	2,067	433	N/A	N/A

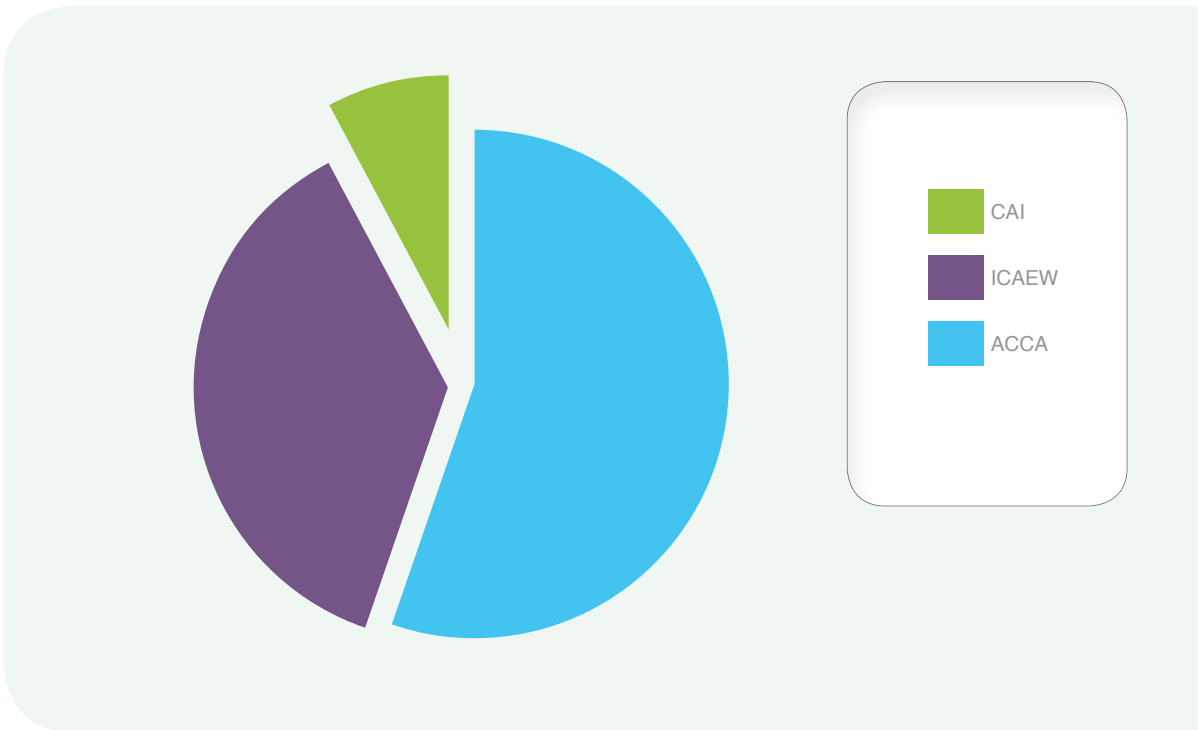


Figure 31

19 ICAS and AIA do not record the data for approved training offices for audit students, and therefore are excluded from the graph.

Section Five Audit Firms

Introductory Note: Audit Firms with Public Interest Entity Clients

This information has been provided on a voluntary basis and we would like to thank all the firms who responded to our requests. Some of this information is otherwise publicly available – for example those firms which are Limited Liability Partnerships (LLPs) must file accounts at Companies House which meet statutory requirements.

This year we have changed the scope of this chapter from the major audit firms in the UK to those firms which audit Public Interest Entity (PIE) clients under the new definition which came into force on 17 June 2016. (See glossary for definition).

Figure 32 shows the fee income for audit and non-audit services for the 41 audit firms with PIE audit clients for the year ended 2015. Firms are listed in order of fee income from audit, rather than total fee income.

Figure 32 should not be seen as a league table. Firms with no PIE audit clients were not requested to provide information this year. It is therefore likely that there are audit firms not included in Figure 32 that have a higher audit fee income than some of those that are included. Further, we have not included accountancy firms that are not registered audit firms.

Care is needed when making comparisons between firms using the information in Figure 32. Some firms do not analyse their fee income in this manner and have made an informed estimate of the figures. In addition, firms may classify their audit and non-audit income in slightly different ways.

Figures 33 and 34 analyse the detailed fee income from Figure 32 for the Big Four audit firms and for the audit firms with PIE audit clients outside of the Big Four respectively¹.

Figure 37 shows those firms which audit FTSE 100 and FTSE 250 companies, and companies listed on other regulated markets and AIM.

The percentage of total fee income derived from audit work has been relatively constant for the Big Four audit firms, but has been steadily falling for all other audit firms over the last few years.

From 2013 to 2015, the percentage of fee income derived from non-audit clients has remained fairly consistent for the Big Four and the other audit firms alike.

In 2015, the average proportion of female partners of those firms with PIE audit clients was 15%. (Figure 32)

¹ Information on fee income by audit for earlier years can be found in previous editions of Key Facts and Trends in the Accountancy Profession, available at www.frc.org.uk - Key Facts and Trends

Figure 32 UK FEE INCOME OF AUDIT FIRMS WITH PIE AUDIT CLIENTS - YEAR ENDED 2015 (By fee income from audit)

UK Firm Name	UK Structure	Year End	No of Principals ²	% of Female Principals	No of Audit Principals	No of Responsible Individuals ³	No of PIE Audit Clients	Fee Income: Audit (£m)	Fee Income: Non-Audit Work ⁴ to Audit Clients (£m)	Fee Income: Non-Audit Clients (£m)	Total Fee Income (£m)
PricewaterhouseCoopers	LLP	30-Jun-15	885	17%	198	352	428	604	365	1,790	2,759
Deloitte ⁵	LLP	31-May-15	721	14%	157	220	412	475	173	1,799	2,447
KPMG	LLP	30-Sep-15	624	13%	140	254	342	471	281	1,206	1,958
Ernst & Young	LLP	03-Jul-15	648	17%	112	175	268	370	267	1,373	2,010
Grant Thornton UK	LLP	30-Jun-15	184	13%	59	106	71	132	48	341	521
BDO	LLP	30-Jun-15	265	12%	102	132	70	132	70	188	391
RSM ⁶	LLP	31-Mar-15	319	17%	105	140	15	70	43	179	292
Mazars	LLP	31-Aug-15	128	13%	51	55	30	44	17	89	150
Crowe Clark Whitehill	LLP	31-Mar-15	73	21%	40	41	3	25	8	28	61
Moore Stephens ⁷	LLP	01-May-15	86	15%	40	41	27	15	6	56	77
Nexia Smith & Williamson Audit	Limited Company	30-Apr-15	138	18%	26	25	2	12	N/A	55	67
Kingston Smith	LLP	30-Apr-15	61	26%	45	45	1	12	9	14	35

2 Principals are partners or members of an LLP

3 Responsible Individuals (RIs) are those Audit Principals or Employees who are able to sign audit reports

4 The definition of 'audit-services' and 'non-audit services' is set out in paragraph 12 of the Auditing Practices Board's 'Ethical Standard 5' - December 2011

5 Deloitte LLP figures relate to practising activities in the UK, Channel Islands and Isle of Man only.

6 Name change from Baker Tilly as at 26 October 2015. Includes both RSM and Baker Tilly UK Holdings Ltd.

7 Moore Stephens merged with Chantrey Vellacott DFK as at 1 May 2015. Four months of Chantrey Vellacott DFK's income prior to merger have been included in Moore Stephens' figures.

Figure 32 UK FEE INCOME OF AUDIT FIRMS WITH PIE AUDIT CLIENTS - YEAR ENDED 2015 (By fee income from audit)

UK Firm Name	UK Structure	Year End	No of Principals ²	% of Female Principals	No of Audit Principals	No of Responsible Individuals ³	No of PIE Audit Clients	Fee Income: Audit (£m)	Fee Income: Non-Audit Work ⁴ to Audit Clients (£m)	Fee Income: Non-Audit Clients (£m)	Total Fee Income (£m)
Haines Watts Group	Group of Partnerships	31-Mar-15	145	10%	74	84	1	10	7	48	65
UHY Hacker Young	Group of Partnerships	30-Apr-15	103	13%	57	63	3	10	6	37	53
Safery Championship	Partnership	31-Mar-15	63	21%	36	36	1	10	7	31	48
Haysmacintyre	Partnership	31-Mar-15	27	26%	21	21	5	10	7	4	21
Buzzacott	LLP	30-Sept-15	32	22%	15	15	1	9	2	22	33
PKF Littlejohn	LLP	31-May-15	32	13%	21	21	15	8	3	7	18
Scott Moncrieff	Partnership	30-Apr-15	18	27%	8	9	4	5	2	4	11
Rees Pollock	Partnership	31-Mar-15	7	14%	7	7	2	5	1	2	7
Francis Clark	LLP	31-Mar-15	49	12%	16	17	1	4	N/A	N/A	31
Beever and Struthers	Partnership	30-Sept-15	21	33%	10	13	5	4	1	5	10
Hazlewoods	LLP	30-Apr-15	20	15%	9	12	2	3	2	14	18
James Cowper	LLP	30-Apr-15	13	23%	8	8	8	3	2	8	13
Barber Harrison & Platt	Partnership	31-Dec-15	18	22%	10	11	1	3	1	8	12
Shipleys	LLP	30-Apr-15	15	13%	9	9	2	3	1	7	11
Campbell Dallas	LLP	31-May-15	19	10%	8	8	1	2	2	8	11

Figure 32 UK FEE INCOME OF AUDIT FIRMS WITH PIE AUDIT CLIENTS - YEAR ENDED 2015 (By fee income from audit)

UK Firm Name	UK Structure	Year End	No of Principals ²	% of Female Principals	No of Audit Principals	No of Responsible Individuals ³	No of PIE Audit Clients	Fee Income: Audit (£m)	Fee Income: Non-Audit Work ⁴ to Audit Clients (£m)	Fee Income: Non-Audit Clients (£m)	Total Fee Income (£m)
CLB Coopers	Partnership	31-Mar-15	12	8%	5	5	1	2	2	4	8
Hurst & Company Accountants	LLP	31-Mar-15	14	29%	5	5	1	2	1	1	4
Carter Backer Winter	LLP	31-Mar-15	18	0%	10	13	3	1	0.1	9	10
French Duncan	LLP	30-Apr-15	21	24%	9	9	2	1	N/A	N/A	10
BSG Valentine	Partnership	30-Sep-15	12	0%	3	3	1	1	0	5	6
Begbies	Partnership	31-Mar-15	4	0%	4	5	1	1	0	2	3
Watson Buckle	Limited Company	31-Dec-15	5	20%	4	4	1	1	0.3	1	2
Larking Gowen	Limited Company	31-Mar-15	10	20%	8	6	2	0.5	N/A	2	2
Welbeck Associates	Limited Company	30-Jun-15	3	0%	2	3	1	0.5	0.1	0.6	1
F. W. Smith, Riches & Co.	Partnership	31-Mar-15	4	25%	3	3	1	0.4	0.3	1	2
Edwards Accountants (Midlands)	Limited Company	31-Mar-15	4	0%	4	4	1	0.4	0.1	1	2
Naylor Wintersgill	Limited Company	31-Dec-15	8	25%	6	6	1	0.3	0.2	2	3
Ritsons	Partnership	31-Oct-15	7	29%	7	7	1	0.2	0	3	3
SRG	LLP	31-Mar-15	4	0%	3	4	1	0.1	0.1	1	1

Analysis of Big Four Fee Income (2013 - 2015)

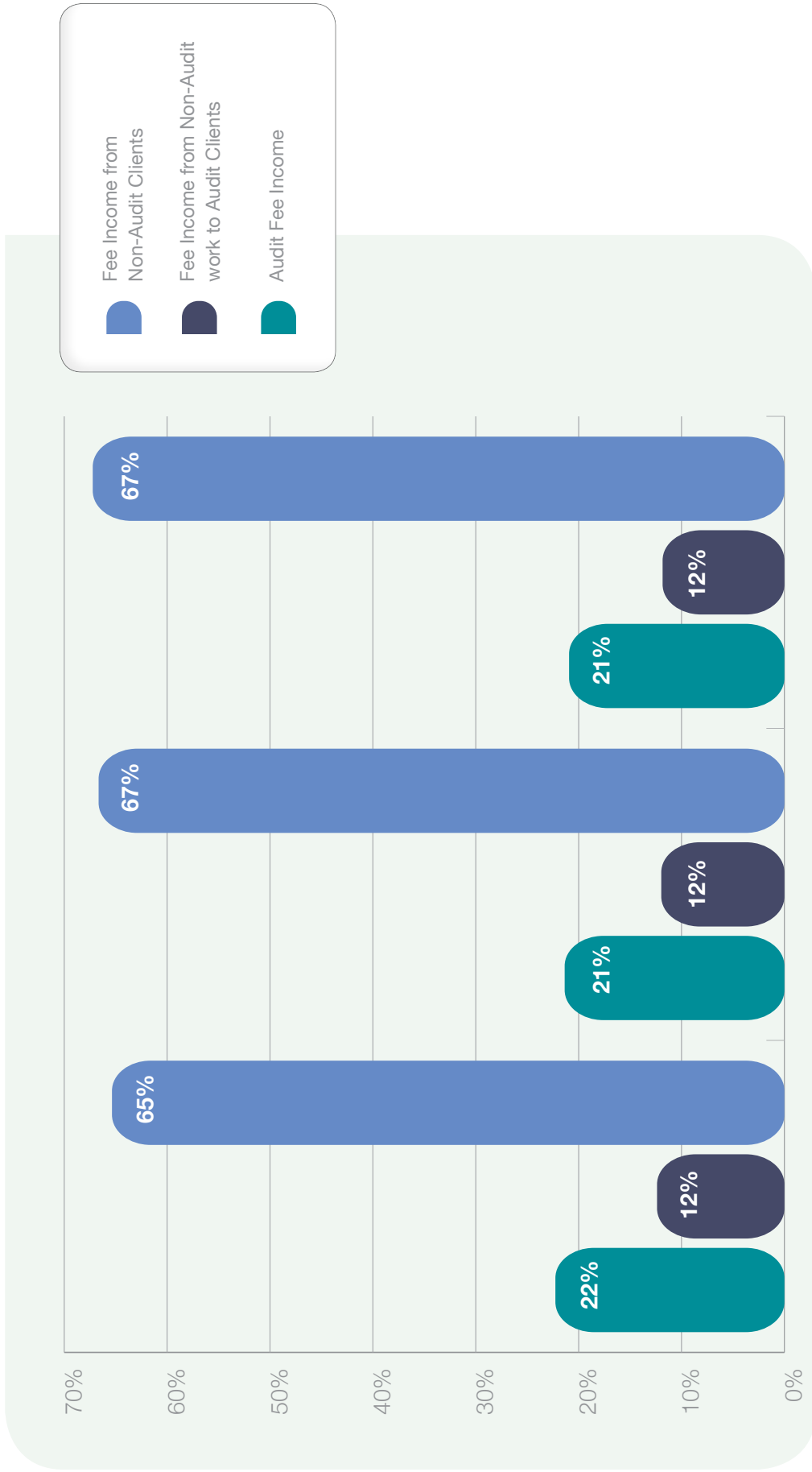


Figure 33

Analysis of Fee Income (2013 - 2015) of audit firms with PIE audit clients outside of the Big Four

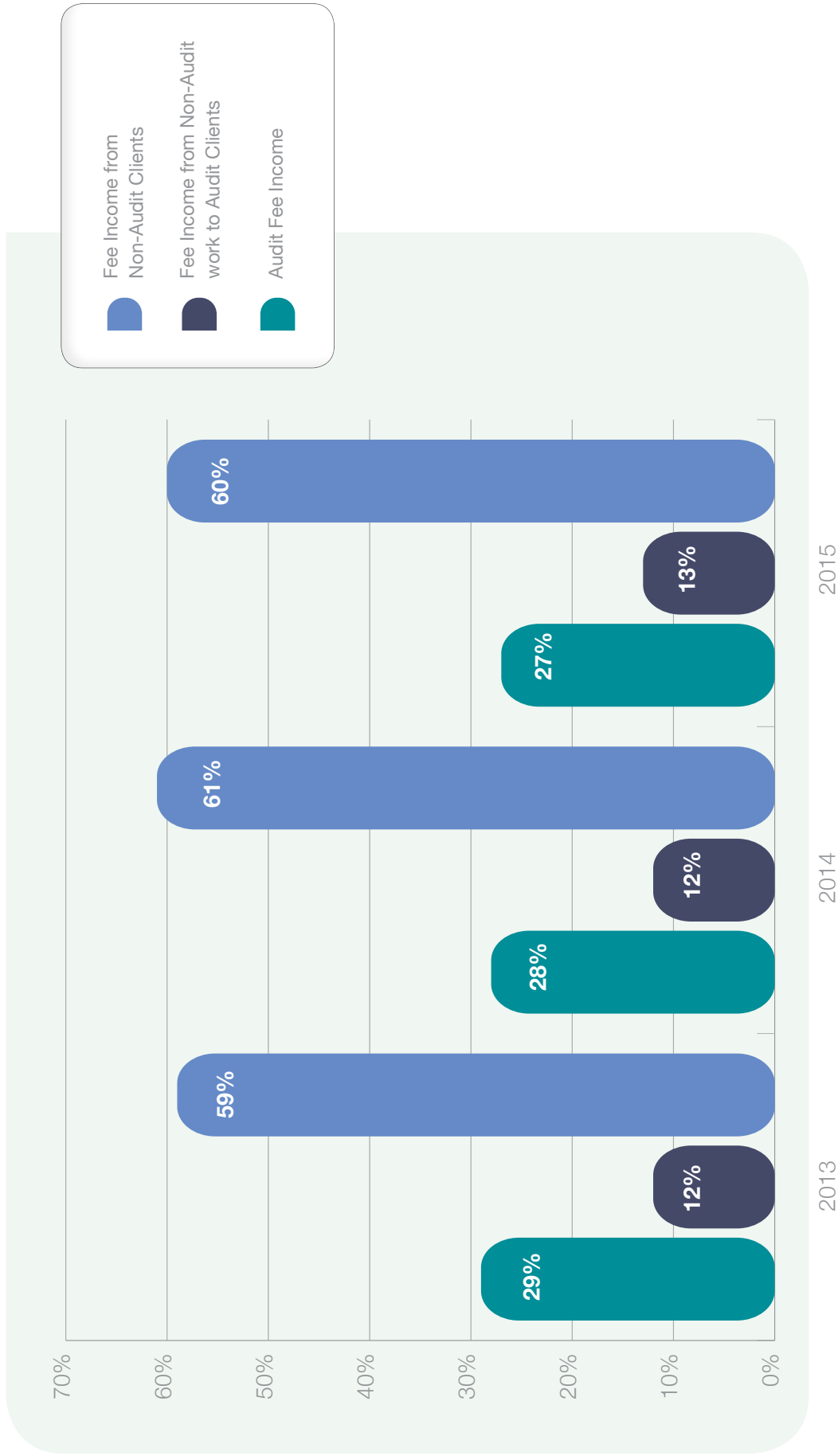


Figure 34

Audit Firms

Growth of Fee Income

Figure 35⁸ shows the growth rate of fee income for each of the years from 2013/14 to 2014/15 for audit firms with PIE clients, split between the Big Four audit firms, audit firms outside of the Big Four and between audit and non-audit income.

To ensure consistency in the table below, we have only included income figures for firms that have submitted data for all three years for both audit and non-audit income⁹.



Figure 35

In 2014-15, the audit firms outside of the Big Four experienced lower growth rates across all income streams compared to 2013-14, except for non-audit work to audit clients. In contrast, the Big Four audit firms experienced an increase in growth rates across all income streams over the same period.

The increase in the growth rate of total fee income for the Big Four audit firms can mainly be attributed to income generated through non-audit work to audit clients, the growth rate of which increased from 0.8% in 2013-14 to 5.5% in 2014-15.

Whilst fees from non-audit work to non-audit clients continued to grow for the audit firms outside of the Big Four in 2014-15 (3.9%), this was at a much slower rate compared to 2013-14 (17.4%).

⁸ This information is based on the information provided to the FRC and which is shown in the detailed tables on fee income of audit firms with PIE clients.

⁹ The data will be different in some cases from that published in earlier versions of Key Facts and Trends in the Accountancy Profession, due to figures being restated for previous years by the firms and the different population of firms.

Audit Fee Income per Responsible Individual (RI)

Figure 36¹⁰ illustrates the average audit fee generated per RI¹¹ for 2013 to 2015 (inclusive). This information is split between the Big Four audit firms and the audit firms outside of the Big Four.

Audit Fee Income Per RI (£m)	2013	2014	2015
Big Four firms	1.89	1.88	1.92
Average of all firms with PIE clients	1.13	1.13	1.23
Non Big Four firms	0.47	0.50	0.54

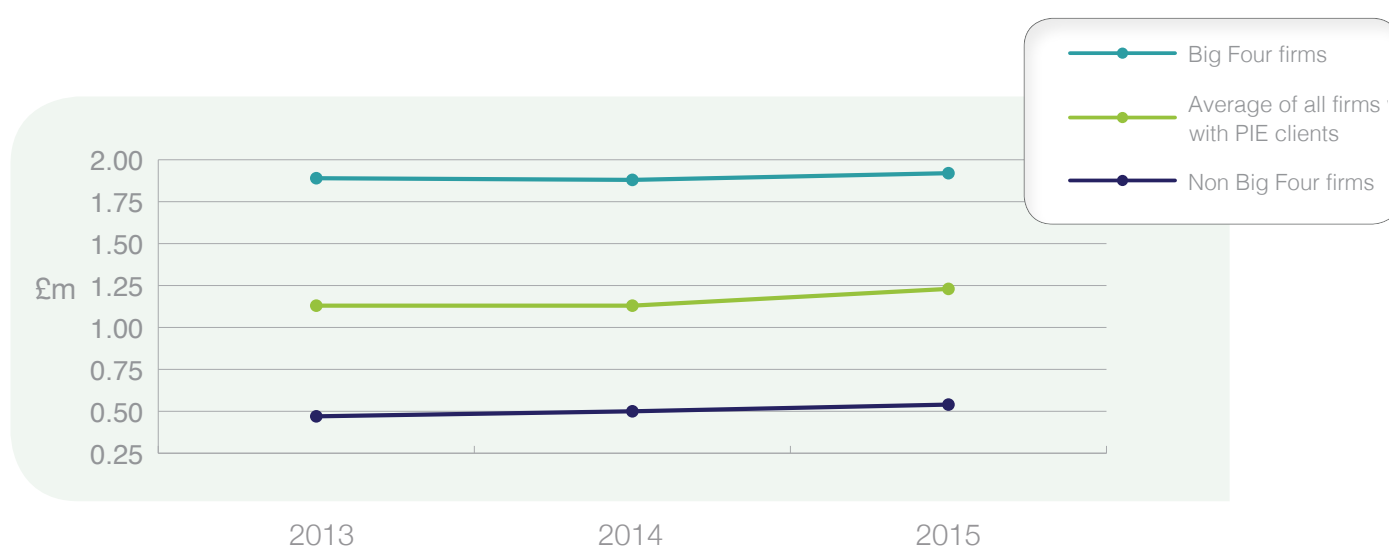


Figure 36

There has been an increase in the average audit fee per RI across all firms with PIE clients.

¹⁰ The historic information in this table has been updated as a result of the change in the population of firms.

¹¹ RIs have been awarded the recognised professional qualification in audit and hold a practising certificate. An RI can sign an audit report on behalf of his/her firm.

Figure 37 CONCENTRATION OF LISTED COMPANIES' AUDITS - YEAR ENDED 2015
(By Number of Listed Clients – FTSE 100, FTSE 250, UK Equity Listed on Regulated Markets and AIM)

UK Firm Name	UK Structure	Year End	No of FTSE 100 Audit Clients	No of FTSE 250 Audit Clients ¹²	Total No of Other Clients listed on Regulated Markets ¹²	No of AIM Audit Clients ¹²
PricewaterhouseCoopers	LLP	30-Jun-15	37	67	103	117
KPMG ¹³	LLP	30-Sep-15	28	52	130	72
Deloitte	LLP	31-May-15	21	65	88	56
Ernst & Young	LLP	03-Jul-15	16	44	89	47
BDO	LLP	30-Jun-15	1	4	70	134
Grant Thornton UK	LLP	30-Jun-15	1	4	50	120
RSM ¹⁴	LLP	31-Mar-15	0	0	10	55
James Cowper	LLP	30-Apr-15	0	0	8	4
Moore Stephens ¹⁵	LLP	01-May-15	0	0	5	21
Scott Moncrieff	Partnership	30-Apr-15	0	0	4	1
UHY Hacker Young	Group of Partnerships	30-Apr-15	0	0	3	32

¹² The number of clients reported relates to entities whether incorporated in the UK or elsewhere that are audit clients of the UK firm. The figures for 'Other clients listed on Regulated Markets' include clients which have equity listed on one or more regulated markets. Companies listed on AIM are not Public Interest Entities.

¹³ Includes both KPMG LLP and KPMG Audit Plc

¹⁴ Name change from Baker Tilly as at 26 October 2015. Includes both RSM and Baker Tilly UK Holdings Ltd.

¹⁵ Moore Stephens merged with Chantrey Vellacott DFK as at 1 May 2015.

Figure 37 CONCENTRATION OF LISTED COMPANIES' AUDITS - YEAR ENDED 2015
 (By Number of Listed Clients – FTSE 100, FTSE 250, UK Equity Listed on Regulated Markets and AIM)

UK Firm Name	UK Structure	Year End	No of FTSE 100 Audit Clients	No of FTSE 250 Audit Clients ¹²	Total No of Other Clients listed on Regulated Markets ¹²	No of AIM Audit Clients ¹²
Haysmacintyre	Partnership	31-Mar-15	0	0	3	12
BSG Valentine	Partnership	30-Sep-15	0	0	3	1
Crowe Clark Whitehill	LLP	31-Mar-15	0	0	2	46
Shipleys	LLP	30-Apr-15	0	0	2	5
Hazlewoods	LLP	31-Apr-15	0	0	2	4
Rees Pollock	Partnership	31-Mar-15	0	0	2	4
Larking Gowen	Limited Company	31-Mar-15	0	0	2	0
Welbeck Associates	Limited Company	30-Jun-15	0	0	1	14
Mazars	LLP	31-Aug-15	0	0	1	12
Kingston Smith	LLP	30-Apr-15	0	0	1	7
Saffery Champness	Partnership	31-Mar-15	0	0	1	3
CLB Coopers	Partnership	31-Mar-15	0	0	1	1
Begbies	Partnership	31-Mar-15	0	0	1	0

Figure 37 CONCENTRATION OF LISTED COMPANIES' AUDITS - YEAR ENDED 2015
 (By Number of Listed Clients – FTSE 100, FTSE 250, UK Equity Listed on Regulated Markets and AIM)

UK Firm Name	UK Structure	Year End	No of FTSE 100 Audit Clients	No of FTSE 250 Audit Clients ¹²	Total No of Other Clients listed on Regulated Markets ¹²	No of AIM Audit Clients ¹²
Carter Backer Winter	LLP	31-Mar-15	0	0	1	0
F. W. Smith, Riches & Co.	Partnership	31-Mar-15	0	0	1	0
French Duncan	LLP	30-Apr-15	0	0	1	0
SRG	LLP	31-Mar-15	0	0	1	0
Nexia Smith & Williamson Audit	Limited Company	30-Apr-15	0	0	0	29
PKF Littlejohn	LLP	31-May-15	0	0	0	17
Francis Clark	LLP	31-Mar-15	0	0	0	2
Haines Watts Group	Group of Partnerships	31-Mar-15	0	0	0	2
Campbell Dallas	LLP	31-May-15	0	0	0	1

Concentration of Audits of Listed Companies¹⁶

Figure 38 illustrates the percentage of the number of audits of UK listed (equity and debt) companies undertaken by the Big Four firms¹⁷, the next five firms¹⁸ (based on the number of listed audit clients) and other audit firms from 2011 to 2015.

For the purposes of Figure 38, where a listed company is audited by a firm from the Crown Dependencies it has been given the same classification as its UK counterparts.

	Big Four Firms (%)					Next Five Firms (%)					Other Firms (%)				
	31/12/11	31/12/12	31/12/13	31/12/14	31/12/15	31/12/11	31/12/12	31/12/13	31/12/14	31/12/15	31/12/11	31/12/12	31/12/13	31/12/14	31/12/15
FTSE 100	99.0	99.0	98.0	98.0	98.0	1.0	1.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0
FTSE 250	95.2	94.4	96.0	96.8	96.8	4.8	5.6	4.0	3.2	3.2	0.0	0.0	0.0	0.0	0.0
Other UK Main Market	68.7	66.3	68.1	69.7	71.1	23.9	24.8	23.7	21.4	21.5	7.4	8.9	8.2	8.9	7.4
All Main Market	78.4	78.3	78.8	79.9	83.2	16.8	16.5	16.0	14.5	11.0	4.8	5.2	5.2	5.6	5.8

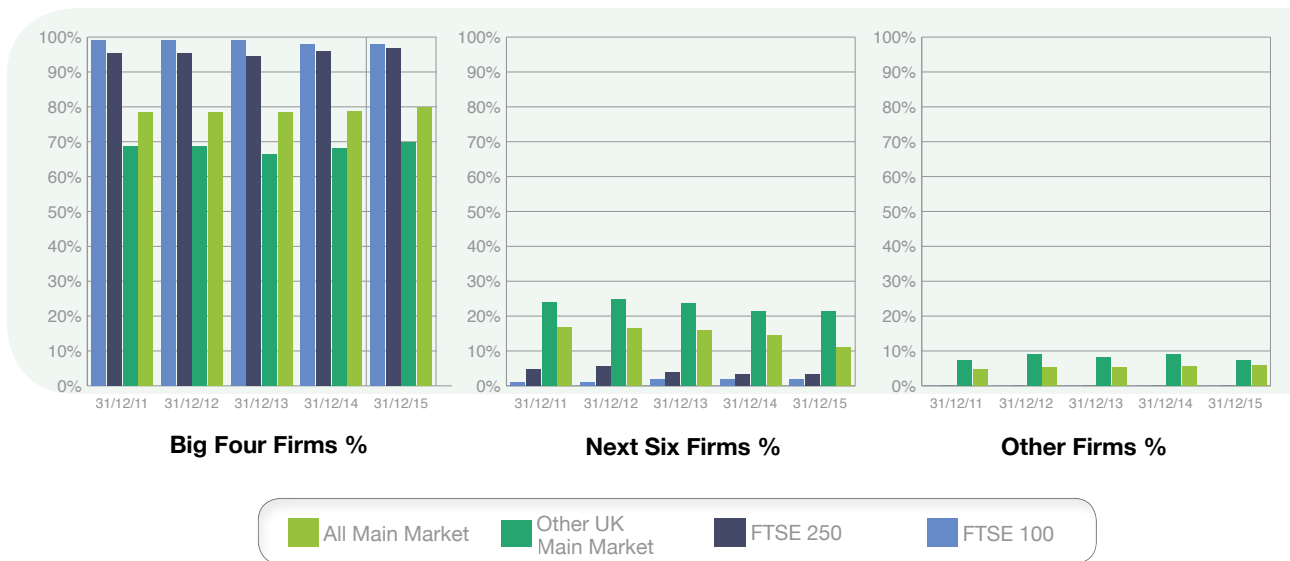


Figure 38

Source: Audit Quality Review team

The number of Other UK Main Market and All Main Market companies being audited by the Big Four audit firms has been increasing every year since 2012.

¹⁶ Includes International Main Market Companies.

¹⁷ Includes Big Four network firm offices whether located in the UK or elsewhere

¹⁸ The data for 2011 and 2012 is for the next six firms. All other years are for the next five firms. The data for previous years in this section has not been restated so is not entirely comparable.

Section Six Annex – Data tables of the charts

Members and Students in the UK and the Republic of Ireland 2015

Figure 2

Number of Members in the UK and ROI								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	75,305	69,038	13,159	117,475	18,814	16,666	1,647	312,104
2012	77,269	72,053	13,140	119,179	19,414	16,933	1,607	319,595
2013	80,442	74,926	12,929	120,513	20,173	17,217	1,510	327,710
2014	83,339	77,551	12,393	122,167	20,990	17,538	1,574	335,552
2015	86,828	78,402	12,957	123,541	21,699	17,852	1,489	342,768
% growth (14-15)	4.2	1.1	4.6	1.1	3.4	1.8	-5.4	2.2
% growth (11-15)	15.3	13.6	-1.5	5.2	15.3	7.1	-9.6	9.8
% compound annual growth (11-15)	3.6	3.2	-0.4	1.3	3.6	1.7	-2.5	2.4

Students in the UK and ROI								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	89,220	54,645	2,437	15,014	6,348	2,994	155	170,813
2012	84,058	54,010	2,244	15,321	6,265	3,056	185	165,139
2013	85,259	55,295	2,058	15,553	6,431	2,978	285	167,859
2014	83,198	54,684	2,015	16,711	6,539	3,058	270	166,475
2015	81,460	51,677	1,937	18,165	6,623	3,350	201	163,413
% growth (14-15)	-2.1	-5.5	-3.9	8.7	1.3	9.5	-25.6	-1.8
% growth (11-15)	-8.7	-5.4	-20.5	21.0	4.3	11.9	29.7	-4.3
% compound annual growth (11-15)	-2.2	-1.4	-5.6	4.9	1.1	2.8	6.7	-1.1

Members and Students Worldwide 2015

Figure 3

Members Worldwide								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	151,283	87,316	13,544	138,464	20,905	19,334	7,300	438,146
2012	158,574	91,744	13,541	140,573	21,844	19,739	7,983	453,998
2013	165,625	95,925	13,328	142,334	22,828	20,109	8,545	468,694
2014	174,227	99,942	13,327	144,167	23,778	20,401	9,250	485,092
2015	183,386	102,942	13,640	145,746	24,496	20,709	6,755	497,674
% growth (14-15)	5.3	3.0	2.3	1.1	3.0	1.5	-27.0	2.6
% growth (11-15)	21.2	17.9	0.7	5.3	17.2	7.1	-7.5	13.6
% compound annual growth (11-15)	4.9	4.2	0.2	1.3	4.0	1.7	-1.9	3.2

Students Worldwide								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	349,325	106,612	2,550	19,073	6,361	3,024	8,431	495,376
2012	353,589	112,727	2,336	20,037	6,276	3,083	8,952	507,000
2013	365,488	122,394	2,550	20,121	6,440	2,989	9,607	529,589
2014	373,668	127,813	3,362	22,001	6,548	3,071	9,064	545,527
2015	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794
% growth (14-15)	4.0	-1.6	12.4	9.8	1.2	9.6	-17.5	2.6
% growth (11-15)	11.3	18.0	48.2	26.6	4.2	11.3	-11.4	13.0
% compound annual growth (11-15)	2.7	4.2	10.3	6.1	1.0	2.7	-3.0	3.1

Sectoral Employment of Members and Students Worldwide 2015

Figure 5

No. of Members	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Practice	44,373	2,319	432	42,852	6,537	5,142	496	102,151
Industry & Commerce	105,757	74,938	1,337	63,439	14,850	9,589	5,500	275,410
Public Sector	17,876	11,430	7,899	9,495	496	898	56	48,150
Retired	7,985	11,486	3,499	22,710	918	3,778	681	51,057
Other	7,395	2,769	473	7,250	1,695	1,292	22	20,896
TOTAL	183,386	102,942	13,640	145,746	24,496	20,699	6,755	497,664

No. of Students	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Practice	57,024	168	0	19,030	5,203	3,202	33	84,660
Industry & Commerce	189,467	99,777	153	1,077	129	164	4,192	294,959
Public Sector	49,246	9,700	2,224	402	10	0	33	61,615
Other	92,899	16,073	1,402	3,640	1,285	0	3,216	118,515
TOTAL	388,636	125,718	3,779	24,149	6,627	3,366	7,474	559,749

Age of Members Worldwide 2015

Figure 7

MEMBERS 2011	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Under 25	1,206	88	1	162	50	70	11	1,588
25 - 34	44,076	16,887	1,077	24,212	7,862	5,795	582	100,491
35 - 44	58,014	30,726	2,581	33,032	6,177	3,809	2,585	136,924
45 - 54	29,058	20,477	4,015	34,130	3,699	3,596	1,756	96,731
55 - 64	12,738	10,901	3,097	25,046	1,867	2,814	1,253	57,716
65 and over	6,191	8,237	2,551	21,882	1,250	3,250	1,113	44,474
Not stated	0	0	0	0	0	0	0	0
TOTAL	151,283	87,316	13,322	138,464	20,905	19,334	7,300	437,924

MEMBERS 2015	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Under 25	1,204	97	0	203	10	13	30	1,557
25 - 34	48,866	17,298	810	25,518	8,301	5,752	626	107,171
35 - 44	67,710	35,498	2,126	31,365	7,528	4,549	2,274	151,050
45 - 54	40,302	26,163	4,098	35,654	4,668	3,640	1,727	116,252
55 - 64	15,595	13,077	3,065	25,907	2,352	3,074	888	63,958
65 and over	9,709	10,802	3,064	27,099	1,637	3,681	1,210	57,202
Not stated	0	7	477	0	0	0	0	484
TOTAL	183,386	102,942	13,640	145,746	24,496	20,709	6,755	497,674

Age of Students Worldwide 2015

Figure 8

STUDENTS 2011	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Under 25	82,486	25,344	111	9,370	2,529	1,557	2,194	123,591
25 - 34	186,235	49,064	1,081	8,667	3,355	1,125	3,128	252,655
35 - 44	62,694	23,346	657	891	391	11	2,214	90,204
45 and over	17,910	8,858	558	145	86	1	895	28,453
Not stated	0	0	143	0	0	330	0	473
TOTAL	349,325	106,612	2,550	19,073	6,361	3,024	8,431	495,376

STUDENTS 2015	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Under 25	123,142	37,614	128	12,431	2,429	1,406	2,501	179,651
25 - 34	190,041	48,603	943	10,839	3,455	1,561	2,710	258,152
35 - 44	58,018	26,693	937	736	545	35	1,450	88,414
45 and over	17,435	11,655	863	143	198	1	813	31,108
Not stated	0	1,198	908	0	0	363	0	2,469
TOTAL	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794

Profile of Students Worldwide of Seven Accountancy Bodies 2015

Figure 10

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
≤ 1 Year	81,289	30,023	862	7,829	1,452	987	498	122,940
>1 - 2 Years	62,182	26,729	1,289	6,093	1,410	861	854	99,418
> 2 - 3 Years	48,634	16,843	709	4,854	1,232	689	680	73,641
> 3 - 4 Years	40,969	11,424	191	3,891	1,034	476	482	58,467
> 4 - 5 Years	36,084	7,563	108	1,003	445	242	700	46,145
≥ 5 Years	119,478	33,181	620	479	1,054	111	4,260	159,183
TOTAL	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794

Percentage of Students holding a degree/ relevant degree 2015

Figure 11

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA
Holding a Degree	51%	53%	47%	76%	93%	96%	43%
Holding a Relevant Degree	25%	46%	21%	23%	77%	35%	43%

AAT Ages of Students Worldwide 2015

Figure 13

	Members	Students
Under 25	2,382	28,947
25 - 34	10,402	26,436
35 - 44	12,420	15,102
45 and over	24,591	9,080
TOTAL	49,795	79,565

Income of Accountancy Bodies

Figure 15

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	144.0	45.5	28.3	82.4	22.0	17.0	1.3	340.5
2012	152.0	50.9	25.5	82.7	22.1	18.4	1.5	353.1
2013	160.0	54.8	26.1	87.6	22.3	17.8	1.5	370.1
2014	164.0	61.9	36.3	91.5	22.0	16.7	1.6	394.0
2015	177.0	54.2	27.1	101.6	21.9	17.2	1.9	400.8

Average income per member & student

Figure 16

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2011	269.7	237.7	410.1	432.3	718.8	653.0	82.6	312.0
2012	279.2	223.5	377.9	410.3	707.7	670.4	76.8	309.2
2013	284.3	225.8	390.5	433.4	622.4	632.1	77.1	311.7
2014	284.7	237.5	377.5	441.7	590.3	634.8	81.9	314.5
2015	298.9	206.4	413.3	485.6	575.4	660.4	123.7	324.8
% growth (14-15)	10.9	-13.2	0.8	12.3	-19.9	1.1	49.7	4.1

Breakdown of Income

Figure 17

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Other (Including Investment Income)	1.0	1.9	0.1	2.4	1.5	0.5	0.1	7.5
Commercial Activities	5.0	5.1	19.8	16.7	2.4	0.8	0.0	49.8
Regulation & Discipline	5.0	0.0	0.0	26.0	3.0	1.9	0.0	35.9
Education & Exam Fees	90.0	12.5	3.5	11.3	7.2	6.9	0.1	131.5
Fees & Subscriptions	76.0	34.7	3.7	45.2	7.6	6.9	1.7	175.8
TOTAL	177.0	54.2	27.1	101.6	21.8	17.0	1.9	400.6

Growth Rate of Fee Income

Figure 35

Growth Rate %		2013-14	2014-15
Total fee income	Big Four Firms	4.3	6.7
	Non Big Four Firms	14.9	4.7
Audit fee income	Big Four Firms	0.1	4.6
	Non Big Four Firms	9.2	2.7
Non-audit work to Audit Clients Fee Income	Big Four Firms	0.8	5.5
	Non Big Four Firms	11.8	13.2
Non-audit work to Non-Audit Clients fee income	Big Four Firms	6.3	7.6
	Non Big Four Firms	17.4	3.9

Section Seven Glossary of acronyms and abbreviations

This glossary provides definitions of many of the acronyms, abbreviations and some key terms used within the Key Facts and Trends publication:

AAPA	Association of Authorised Public Accountants – still recognised as an RSB but for all practical purposes part of ACCA
AAT	The Association of Accounting Technicians
ACCA	Association of Chartered Certified Accountants
AIA	Association of International Accountants
AIM	The Alternative Investment Market is the London Stock Exchange’s global market for smaller and growing companies. Companies listed on this market are not Public Interest Entities.
ALC	Admissions and Licensing Committee (ACCA term)
AQR	Audit Quality Review – part of the FRC
ARC	Audit Registration Committee (ICAEW & ICAS term)
Audit Qualification	Is the qualification that is provided by an RQB to its members
Audit Services	<p>Audit services are:</p> <ul style="list-style-type: none"> • Reporting required by law or regulation to be provided by the auditor • Reviews of interim financial information • Reporting on regulatory returns • Reporting to a regulator on client assets • Reporting on government grants • Reporting on internal financial controls when required by law or regulation • Extended audit work that is authorised by those charged with governance performed on financial information and/or financial controls where this work is integrated with the audit work and is performed on the same principal terms and conditions
Big Four	The four largest audit firms in the UK
CAET	Certified Accountants Educational Trust (ACCA term)
CAI	Chartered Accountants Ireland
CARB	Chartered Accountants Regulatory Board. (Regulatory arm of CAI, operates largely independently of that body)
CCAB	Consultative Committee of Accountancy Bodies
CEC	Code of Ethics and Conduct (ACCA term)
CIMA	Chartered Institute of Management Accountants
CIPFA	Chartered Institute of Public Finance and Accountancy
CPD	Continuing Professional Development
Crown Dependencies	A territory that is under the sovereignty of the British Crown but does not form part of the UK
FRC	Financial Reporting Council
FTSE 100	An index composed of the 100 largest companies listed on the London Stock Exchange (LSE)

FTSE 250	An index containing the 101st to the 350th largest companies by market capitalisation on the London Stock Exchange (LSE)
GPRs	Global Practising Regulations (ACCA term)
IAASA	Irish Auditing and Accounting Supervisory Authority
ICAEW	Institute of Chartered Accountants in England and Wales
ICAS	Institute of Chartered Accountants of Scotland
LSE	London Stock Exchange
LSE Main Market	International market for the admission and trading of equity, debt and other securities
Non-audit services	<p>‘Non-audit services’ comprise any engagement in which an audit firm provides professional services to:</p> <ul style="list-style-type: none"> • An audited entity • An audited entity’s affiliates • Another entity in respect of the audited entity • Other than the audit of financial statements of the audited entity
Non Big Four	The audit firms excluding the ‘Big Four’
PD	Professional Discipline team – part of the FRC
Principals	Partners or members of an LLP
Public Interest Entity	A new definition of PIE came into force from 17 June 2016. The new definition includes entities governed by the law of a member state whose transferable securities (equity and debt) are admitted to trading on a regulated market in the EEA, credit institutions and insurance undertakings
QAC	Quality Assurance Committee (CAI term)
QAD	Quality Assurance Directorate (ICAEW term)
RI	Responsible Individuals have been awarded the recognised professional qualification in audit and hold a practising certificate. An RI can sign an audit report on behalf of his/her firm
ROI	Republic of Ireland
RQB	Recognised Qualifying Bodies – there are six bodies in the UK recognised to offer the audit qualification in line with the requirements of Schedule 11 to the Companies Act 2006
RSB	Recognised Supervisory Bodies – these bodies can register and supervise audit firms in accordance with the requirements of Schedule 10 to the Companies Act 2006
SAD	Statutory Audit Directive of 17 May 2006. Amending Directive agreed in early 2014
TCA	Third Country Auditor
Transparency Report	The FRC brought into force legal requirements on the auditors of certain public interest entities to publish annual Transparency Reports in 2008, in accordance with the Statutory Audit Directive. The requirement came into force for financial years ending on or after 31 March 2010
UK	United Kingdom
UK GAAP	Generally Accepted Accounting Practice in the UK
UK Regulated Market	An organised trading venue that operates under Title III of MiFID
Year End	An accounting procedure undertaken at the end of the year to close out business from the previous year and carry forward balances from the previous year



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