

October 2020

Key Facts and Trends in the Accountancy Profession

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The Financial Reporting Council

Key Facts and Trends in the Accountancy Profession

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Foreword

This is the eighteenth edition of 'Key Facts and Trends in the Accountancy Profession'.

This publication provides statistical information and trends on the members and students in the accountancy profession. Information is obtained from the following accountancy bodies: the six UK Chartered Accountancy bodies¹, the Association of International Accountants (AIA) ("the accountancy bodies") and the Association of Accounting Technicians (AAT) ("all bodies"). In the sections below, the tables on members show data for the UK and the Republic of Ireland (ROI) combined and 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 all bodies to separate the data. The Irish Auditing and Accounting Supervisory Authority (IAASA) publishes information relating specifically to the ROI accountancy bodies, which can be found at <http://www.iaasa.ie>.

Where appropriate we highlight significant trends and explain possible limitations of the data; however, it is important to note that we do not check the accuracy of the information provided. Where there are notable trends in the data, we follow this up with all bodies and firms to verify that they are content with the information they provided, but we do not include commentary on the possible reasons for any particular trends. We stress that it is often difficult to make comparisons between the different accountancy bodies, or between the audit firms that audit public interest entities (PIEs²), given the differences in the way data is classified by those bodies and firms and because of different regulatory arrangements in the UK, ROI and rest of the world.

With Covid-19 affecting resource capacity at the audit firms, there were a reduced number of participants in this year's edition of Key Facts and Trends (20 firms made returns this year compared to 30 last year). However, since the figures relate to 2019, any impacts of Covid-19 are not reflected in the figures within this report. Competition between the Big Four audit firms and their competitors remains a major focus. Last year, the five largest firms outside the Big Four audited nine FTSE 350 companies; this year, they audited ten. One firm outside these nine firms also audited a FTSE 250 company this year.

Diversity at all bodies and audit firms continues to be high on the FRC's agenda. Consistent with the Public Sector Equality Duty, the FRC must consider the following objectives in its oversight of all bodies:

- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;

¹ Association of Chartered Certified Accountants (ACCA), Institute of Chartered Accountants in Ireland (ICAI/CAI), Chartered Institute of Public Finance and Accountancy (CIPFA), Chartered Institute of Management Accountants (CIMA), Institute of Chartered Accountants in England and Wales (ICAEW) and Institute of Chartered Accountants of Scotland (ICAS).

² Regulation 2 of The Statutory Auditors and Third Country Auditors Regulations (SATCAR) 2016 defines Public Interest Entities (PIEs) as entities governed by the law of a member state whose secure transferable securities (equity and debt) are admitted to trading on a regulated market in the EEA; and credit institutions and insurance undertakings.

- Advance equality of opportunity between people who share a protected characteristic³ and people who do not share it; and
- Foster good relations between people who share protected characteristics and people who do not share it.

We have expanded our scope on diversity this year by asking firms if they collect information on whether senior management were part of the LGBTQ+⁴ community. This is in addition to questions regarding gender, BAME⁵ and disability, that were requested last year. Further details can be found in the Diversity section of this publication.

As always, we are grateful to those who took the time to complete our questionnaire on how we can continue to improve this publication, viewable [here](#).

³ Protected characteristics under the Equality Act 2010: Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race (this includes ethnic or national origins, colour or nationality), Religion or Belief (including an absence of religion or belief), Sex, and Sexual Orientation.

⁴ Lesbian, Gay, Bisexual, Trans, Queer/Questioning + Others.

⁵ Black, Asian and Minority Ethnic (used to refer to members of non-white communities in the UK).

Section One – Main Highlights

The Accountancy Bodies 2015 to 2019

Membership of the accountancy bodies continues to grow. The seven bodies in this report have over 370,000 members in the UK and ROI and over 560,000 members worldwide. The compound annual growth rate from 2015 to 2019 is 2.2% in the UK and ROI and 3.0% worldwide (Figures 1 and 2).

There are over 164,000 students in the UK and ROI and over 600,000 worldwide. Student numbers in the UK and ROI increased by 0.1% and by 0.9% worldwide from 2018 to 2019 (Figures 1 and 2).

There was an increase in the compound annual growth rate for students between 2015 and 2019 in the UK and ROI (0.1%) as well as worldwide (1.9%). Only AIA (-6.9%) and CIMA (-3.9%) experienced a decline in their compound annual growth rates worldwide between 2015 and 2019 (Figures 1 and 2).

The number of audit firms registered with the Recognised Supervisory Bodies⁶ (RSBs) continues to decline. The total number of registered audit firms was 5,127 as at 31 December 2019, compared to 5,394 and 5,660 registered firms as at 31 December 2018 and 2017 respectively. (Figure 21).

Since 2015, there has been a consistent increase in total income for both ACCA and ICAEW, with ACCA continuing to earn the highest income worldwide out of the seven bodies in 2019. With regards to average income however, ICAS overtook CAI in 2019 as the body that earned the highest average income per members and students worldwide (Figures 16 and 17).

Figure 9 shows that all eight accountancy bodies collect data on the age and gender of their members and students, and seven collect data on race/ethnicity. Three of the bodies collect disability data on their students, while only two of the bodies collect this data from their members. Figure 20 shows the number of bodies that collect diversity data on their workforce in respect of disability, gender, marriage, pregnancy, and race/ethnicity. All the bodies have diversity policies/statements in place.



⁶ To be an RSB, the body must satisfy the recognition criteria as set out in Schedule 10 of the Companies Act 2006. Individuals and audit firms that wish to be appointed as a statutory auditor in the UK must be registered with an RSB. There are four RSBs: ACCA, ICAEW, CAI and ICAS.

The Audit Firms 2017 to 2019

Figure 33 shows the fee income for audit and non-audit services for 20 of the audit firms with Public Interest Entity (PIE) clients for 2019 Year Ends. Firms are listed in order of fee income from audit, rather than total fee income. All data is provided on a voluntary basis to the FRC.

The Big Four firms continued to see an increase (7.1%) in their 'total fee income', with the rate of growth also increasing compared to 2017/18. Firms outside the Big Four saw a decline in their total fee income in 2018/19 (-0.1%) as well as 2017/18 (-8.1%) (Figure 36).

Fees for non-audit work to audit clients declined by 20.8% for the Big Four while the Non-Big Four firms saw an increase of said fees 3.4% from 2018 to 2019 (Figure 36).

Audit fee income for the Big Four firms increased by 6.9% from 2018 to 2019 compared to 1.7% from 2017 to 2018. Audit fee income for audit firms outside of the Big Four increased by 2.2% from 2018 to 2019 compared to a 6.3% decrease from 2017 to 2018 (Figure 36).

The average audit fee income per Statutory Auditor/ Responsible Individual (RI) for 2019 for all firms with PIE clients was £1.61m, an increase of £0.15m from 2018 (Figure 37).

Last year, the five largest firms outside of the Big Four audited nine of the FTSE 350 companies; this year they audited ten. One firm outside these nine audit firms (the Big Four plus the next largest five) also audited a FTSE 250 company this year (Figure 39).

With regards to diversity at audit firms, we have focused on senior management, highlighting the percentages of women, Black, Asian and Minority Ethnic (BAME), disabled and LGBTQ+ individuals at each of the 20 PIE audit firms that disclosed this data (Figures 40 to 44).

We asked the PIE audit firms whether they collect information on the following diversity indicators of their workforce: age, ethnicity, disability, religion/belief, sexual orientation, marital status, school type attended, first generation to attend university and caring responsibilities. The data and the staff completion rates on each indicator are set out in Figure 46. The firms were also asked whether they have any diversity policies in place, with a higher percentage having a policy in 2019 (85%) compared to 2018 (77%) (Figure 47).

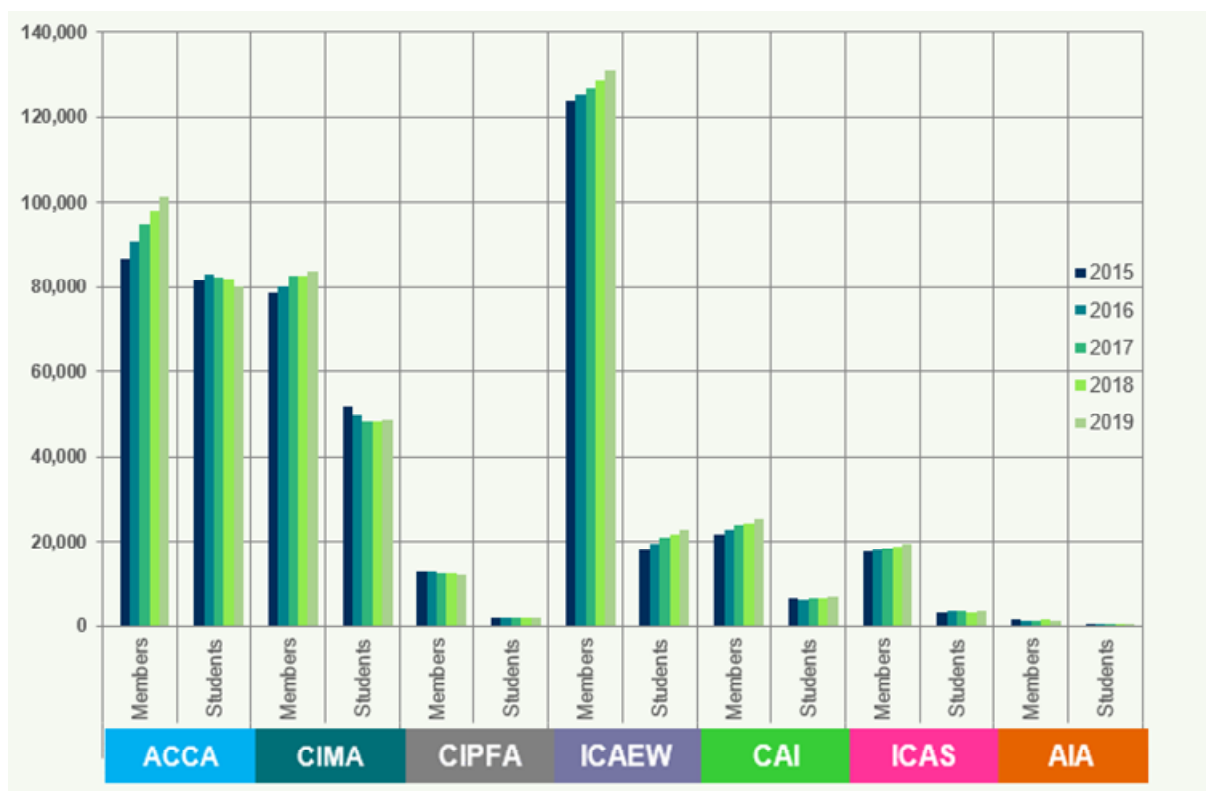
Section Two – Members and Students of the Accountancy Bodies

Registered Members and Students in the UK and ROI

Figure 1 shows growth rates for the five years to 31 December 2019, and the number of members and students in the UK and ROI as at 31 December 2019.

Figure 1: Members and Students in the UK and ROI

Growth of Members in the UK & ROI	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Total numbers for 2019	101,476	83,657	12,327	130,928	25,374	19,366	1,304	374,432
% growth (18 - 19)	3.5	1.1	-1.0	1.8	4.6	2.3	-11.9	2.2
% growth (15 - 19)	16.9	6.7	-4.9	6.0	16.9	8.5	-12.4	9.2
% compound annual growth (15 - 19)	4.0	1.6	-1.2	1.5	4.0	2.1	-3.3	2.2



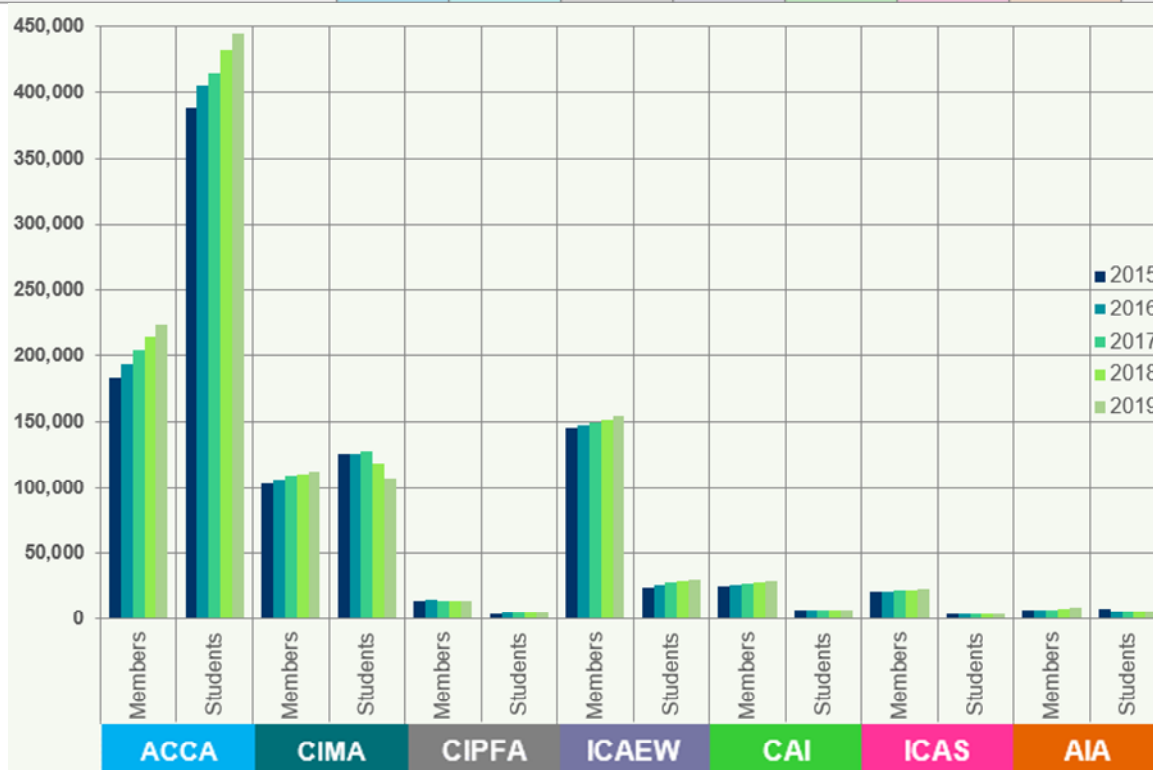
Growth of Students in the UK & ROI	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Total numbers for 2019	79,937	48,520	2,047	22,842	7,009	3,862	135	164,352
% growth (18 - 19)	-2.4	0.4	5.0	5.7	3.2	10.7	0.0	0.1
% growth (15 - 19)	-1.9	-6.1	5.7	25.7	5.8	15.3	-32.8	0.6
% compound annual growth (15 - 19)	-0.5	-1.6	1.4	5.9	1.4	3.6	-9.5	0.1

Registered Members and Students Worldwide

Figure 2 shows growth rates for the five years to 31 December 2019 and the number of worldwide⁷ members and students as at 31 December.

Figure 2: Members and Students Worldwide

Growth of Members Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Total numbers for 2019	223,454	112,617	13,362	154,531	28,479	22,495	8,718	563,656
% growth (18 - 19)	4.3	1.9	0.0	1.8	4.1	2.1	6.8	3.0
% growth (15 - 19)	21.8	9.4	-2.0	6.0	16.3	8.6	29.1	13.3
% compound annual growth (15 - 19)	5.1	2.3	-0.5	1.5	3.8	2.1	6.6	3.2



Growth of Students Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Total numbers for 2019	445,186	107,049	5,001	30,241	7,011	3,872	5,624	603,984
% growth (18 - 19)	3.1	-9.1	5.3	5.4	3.2	11.0	3.0	0.9
% growth (15 - 19)	14.6	-14.9	32.3	25.2	5.8	15.0	-24.8	7.9
% compound annual growth (15 - 19)	3.5	-3.9	7.3	5.8	1.4	3.6	-6.9	1.9

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

Analysis of Members and Students of the Seven⁸ Accountancy Bodies

The total number of members of the seven accountancy bodies in the UK and ROI has continued to grow steadily at a compound annual growth rate of 2.0% for the period 2015 to 2019. Total membership rose by 1.2% from 2018 to 2019 compared with 1.8% from 2017 to 2018 (Figure 1).

Growth rates of membership vary considerably at each of the individual accountancy bodies in the UK and ROI. ICAEW continues to have the largest number of members in this jurisdiction; however, ACCA and CAI showed the strongest growth at a compound annual rate of 4.0% between 2015 and 2019. CIPFA and AIA both saw a decline in membership over this period (Figure 1).

The total number of students in the UK and ROI has increased by 0.1% from 2018 to 2019 compared to the increase of 0.2% between 2017 and 2018. ACCA has the largest number of students but has seen a decrease in numbers between 2018 and 2019 at -2.4% (Figure 1).

The worldwide membership of the accountancy bodies has grown by 3.0% from 2018 to 2019 and at a compound annual growth rate of 3.2% for the period 2015 to 2019 (Figure 2).

Overall, worldwide student numbers increased by 0.9% from 2018 to 2019 with a compound annual growth rate of 1.9% between 2015 and 2019 (Figure 2).

Qualifications differ across the Recognised Qualifying Bodies (see page 38). Over 70% of the total worldwide student membership are training with ACCA for its qualification (Figure 2).

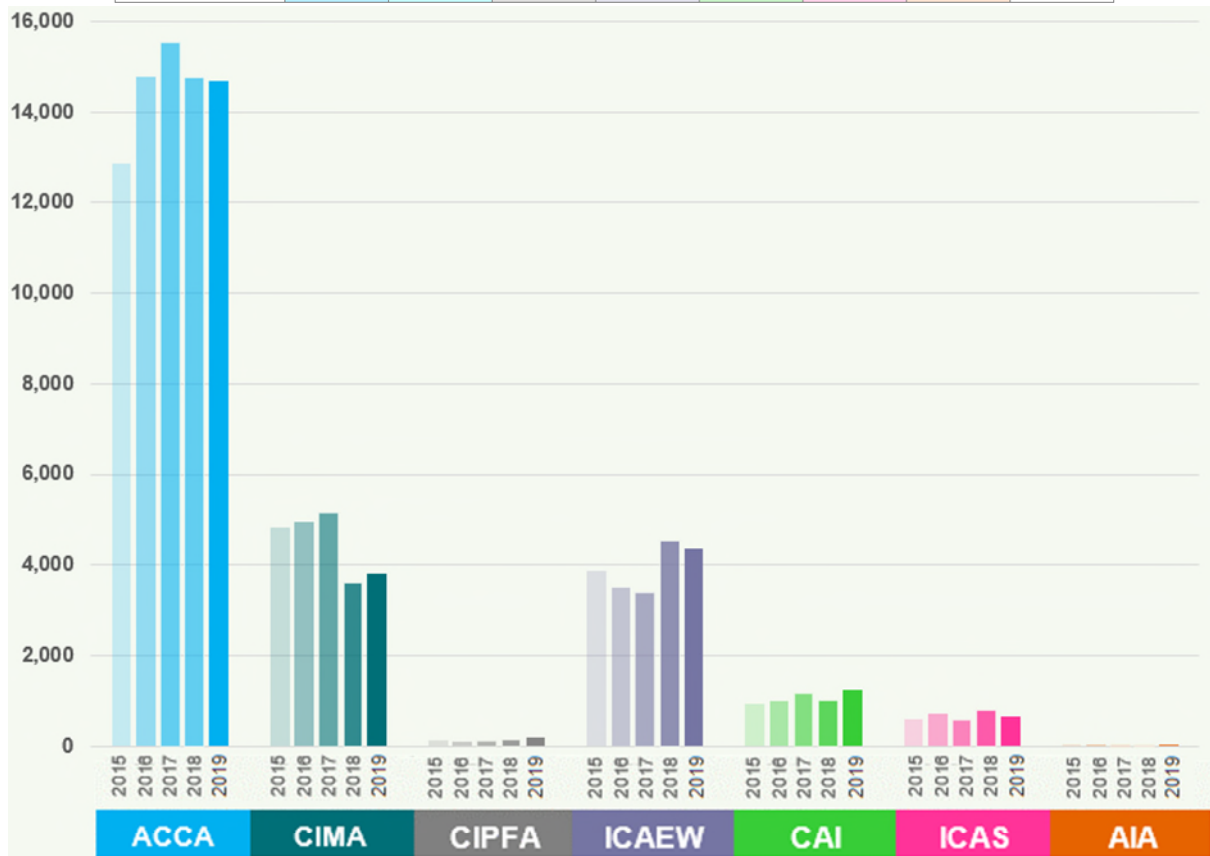
⁸ The statistics for AAT are shown separately on pages 18 and 19.

Students who became Members

Figure 3 shows the number of students worldwide who became members, as at 31 December for each of the years 2015 to 2019.

Figure 3: Students to Members Worldwide 2015 to 2019

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	12,868	4,814	143	3,855	926	576	39	23,221
2016	14,784	4,958	102	3,497	990	716	37	25,084
2017	15,533	5,147	112	3,403	1,153	585	12	25,945
2018	14,756	3,598	133	4,525	996	801	5	24,814
2019	14,683	3,798	199	4,359	1,243	657	3	24,942
% growth (18 - 19)	-0.5	5.6	49.6	-3.7	24.8	-18.0	-40.0	0.5



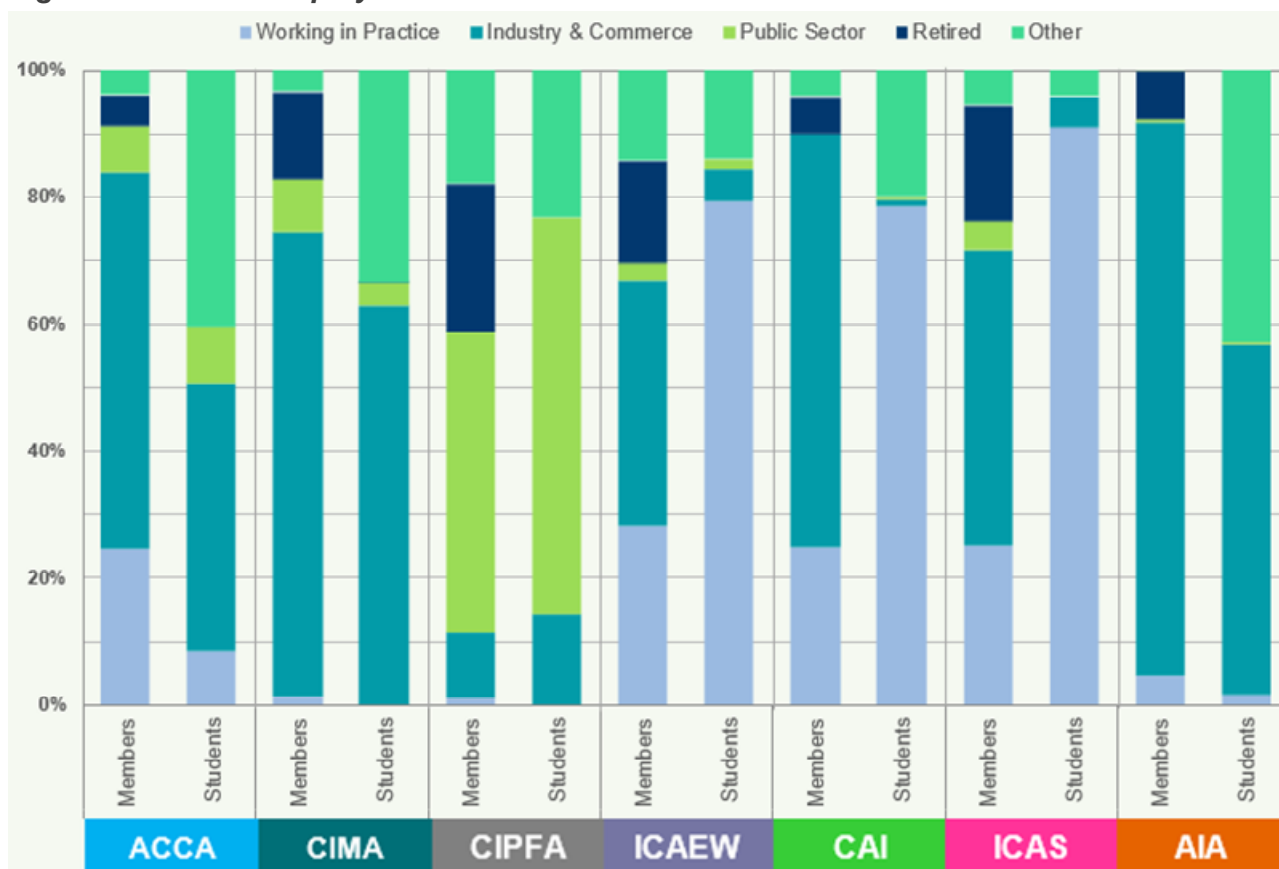
ACCA, ICAEW, ICAS and AIA have all seen a decline in the number of students becoming members in 2019 compared to 2018. Overall, the total number of students who became members worldwide increased from 2018 to 2019 by 0.5%. There was a decrease of -4.4% from 2017 to 2018.

Prior to 2017, CAI reported only on the number of students who became members in ROI. The 2017, 2018 and 2019 figures show the number of students to members worldwide.

Sectoral Employment of Members and Students Worldwide

Figure 4 shows the percentage of members and students worldwide for each of the seven accountancy bodies, according to their sectoral employment⁹ as at 31 December 2019.

Figure 4: Sectoral Employment Worldwide 2019



The Industry and Commerce sector employs the highest percentage of members (55%) and students (43%) across the accountancy bodies. CIMA and AIA members in this sector make up 73% and 87% of their total members respectively.

Over three quarters of students at ICAEW, CAI and ICAS are in practice (i.e. working at an accountancy firm). In contrast, 2% or less of CIMA, CIPFA and AIA students are employed in practice.

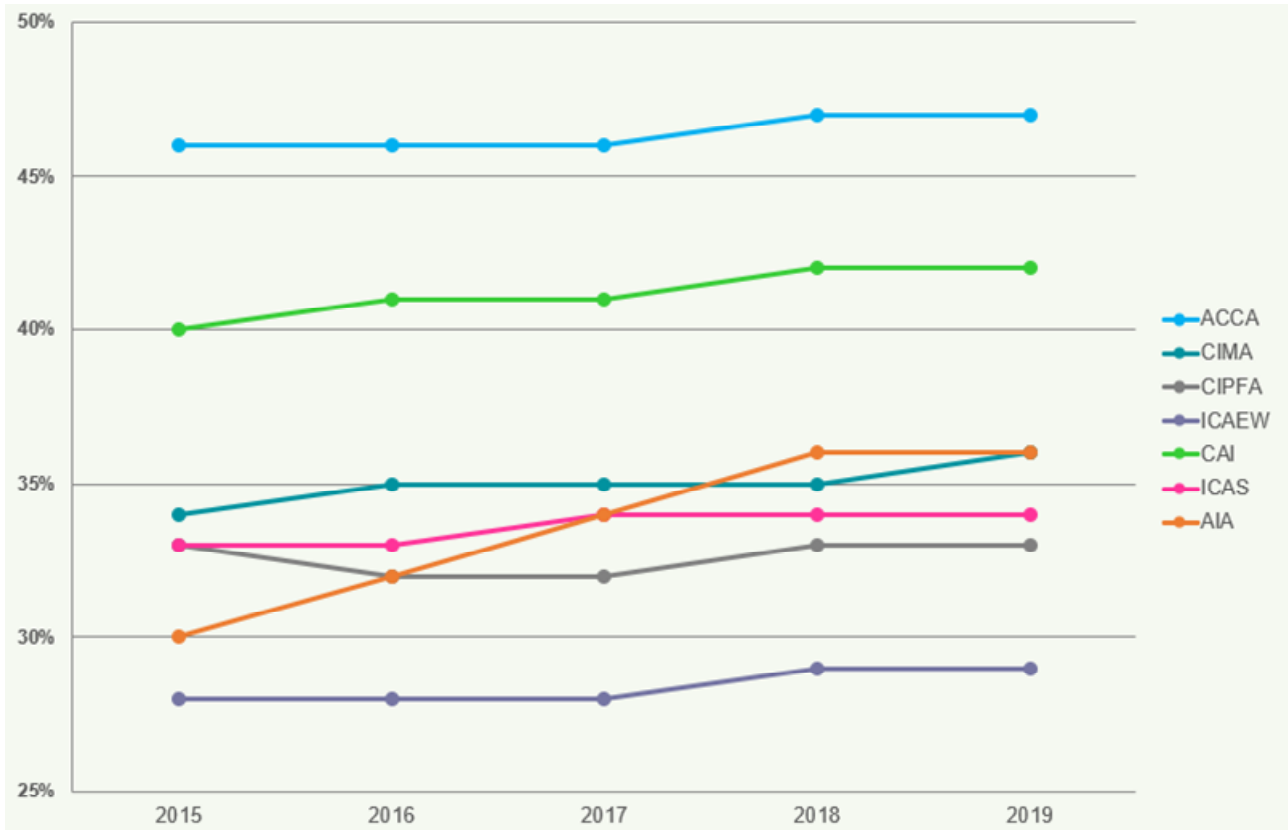
⁹ (i) "Other" for members includes those who are unemployed, taking a career break, undertaking full time study, on maternity leave and any member who are unclassified, for example having not provided the information. In the case of CAI, all such members are included in their most recent employment where available. The ICAEW includes members working within the charity sector under "Public Sector". For ICAS, the figure for Industry and Commerce includes students working in the public sector.

(ii) "Other" for students includes those that are not employed, employed in sectors not mentioned, those in full time education, independent students for whom no information on their employment is available, and those individuals that have passed their final exams and are entitled to membership but have not yet been admitted.

Gender of Members and Students Worldwide

Figures 5 and 6 show the percentage of female members and students worldwide respectively, as at 31 December for each of the years 2015 to 2019.

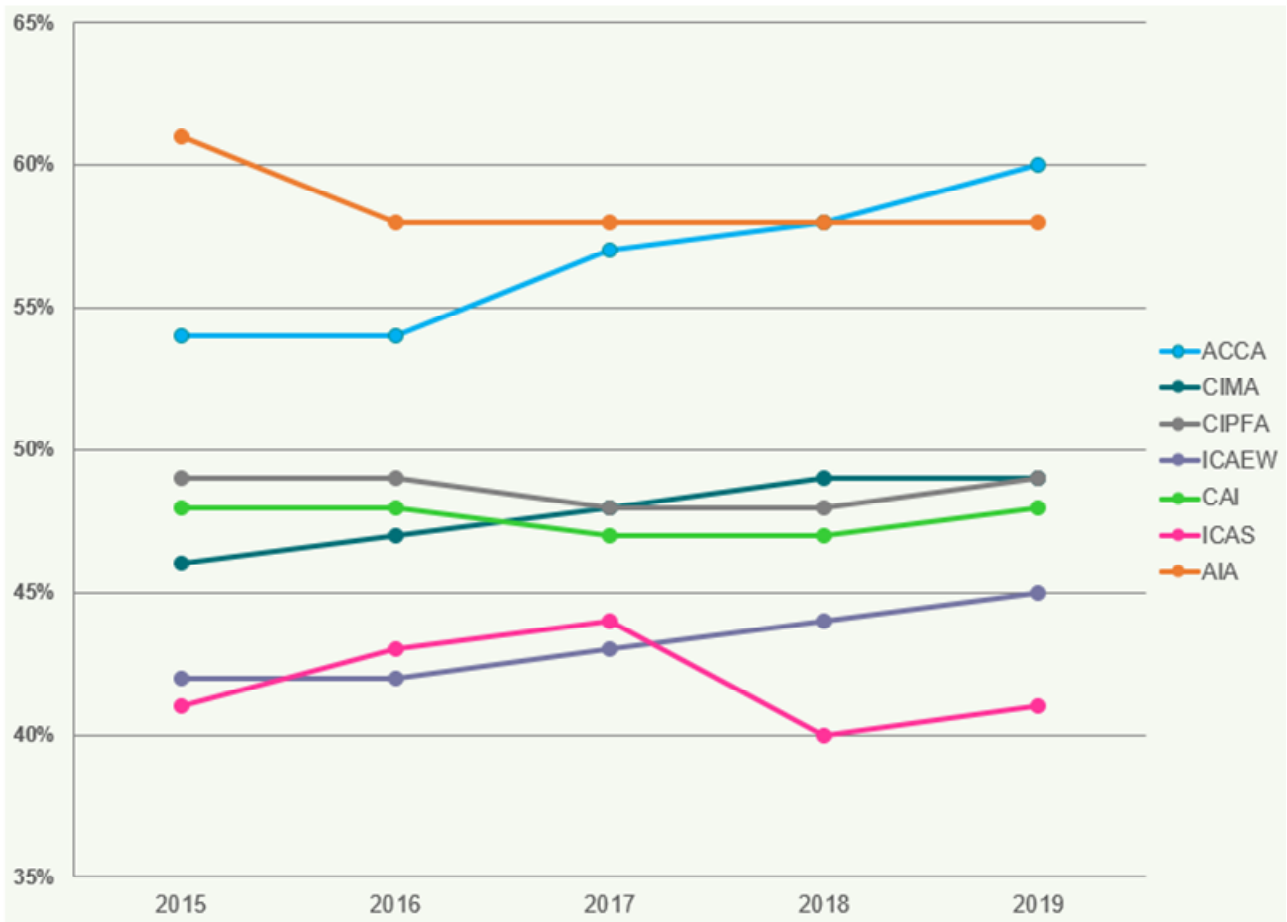
Figure 5: Female Members Worldwide 2015 to 2019



The overall percentage of female members has increased from 35% in 2015 to 37% in 2019.

Since 2015, all of the accountancy bodies, except for CIPFA, have increased their percentage of female members worldwide. CIPFA has stayed the same at 33%, with AIA experiencing the largest increase of 6% in this period. ACCA continues to have the highest percentage of female members of all the accountancy bodies.

Figure 6: Female Students Worldwide 2015 to 2019



The overall percentage of female students (50%) is greater than the overall percentage of female members (37%).

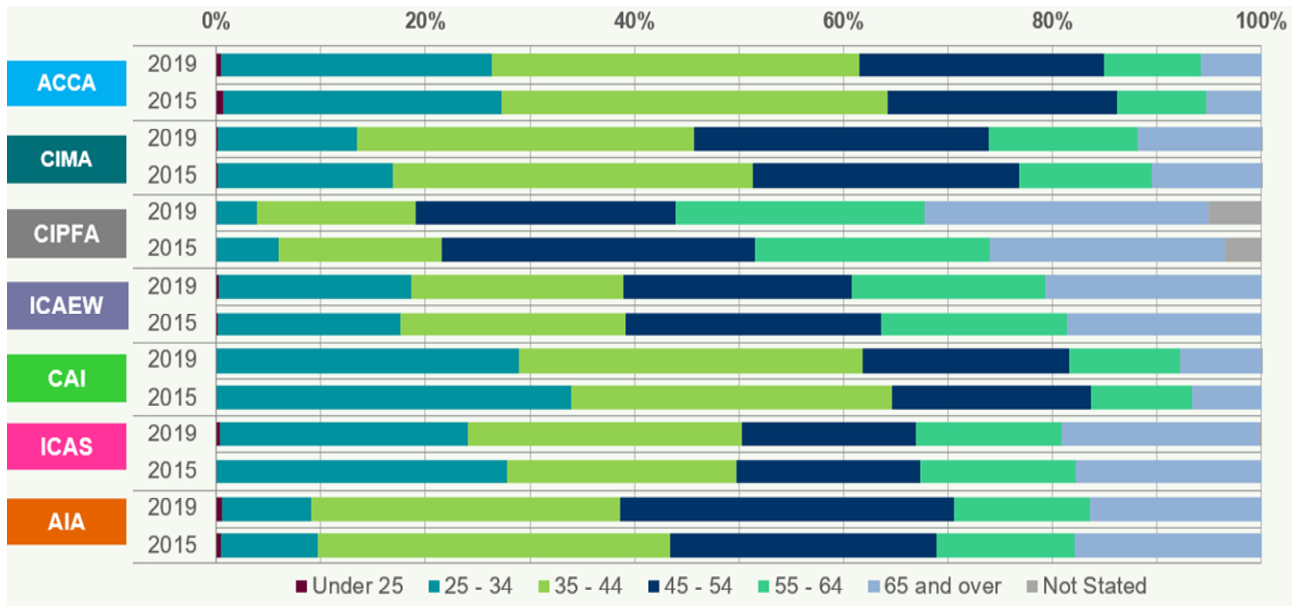
ACCA has the largest percentage of female students in 2019 at 60%.

For 2017, 2018 and 2019, CAI and ICAS figures refer only to the proportion of female students in the student intake, not of the total student population.

Members and Students Worldwide

Figures 7 and 8 compare the age distribution of members and students, as at 31 December 2015 and 2019.

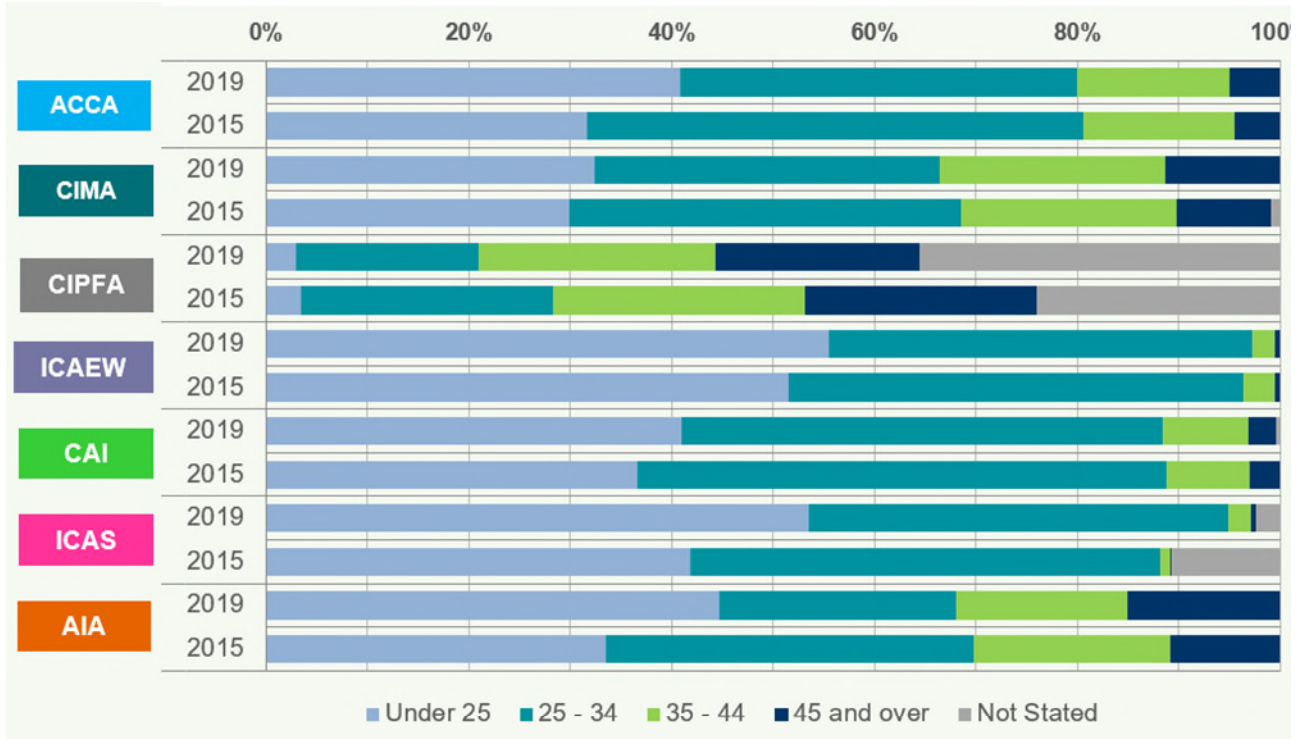
Figure 7: Age of Members Worldwide 2015 and 2019



There are significant differences in the age profiles of worldwide members of the seven accountancy bodies in 2019. ACCA and CAI have the highest proportion of members aged under 35, 26% and 29% respectively, whilst CIPFA has the largest percentage of members aged 45 and over at 76%.

Most members are aged between 35 to 44 for 2019, accounting for 29% of the total population.

Figure 8: Age of Students Worldwide¹⁰ 2015 and 2019



In 2019, 40% of students from the seven accountancy bodies were under the age of 25 compared with 32% in 2015.

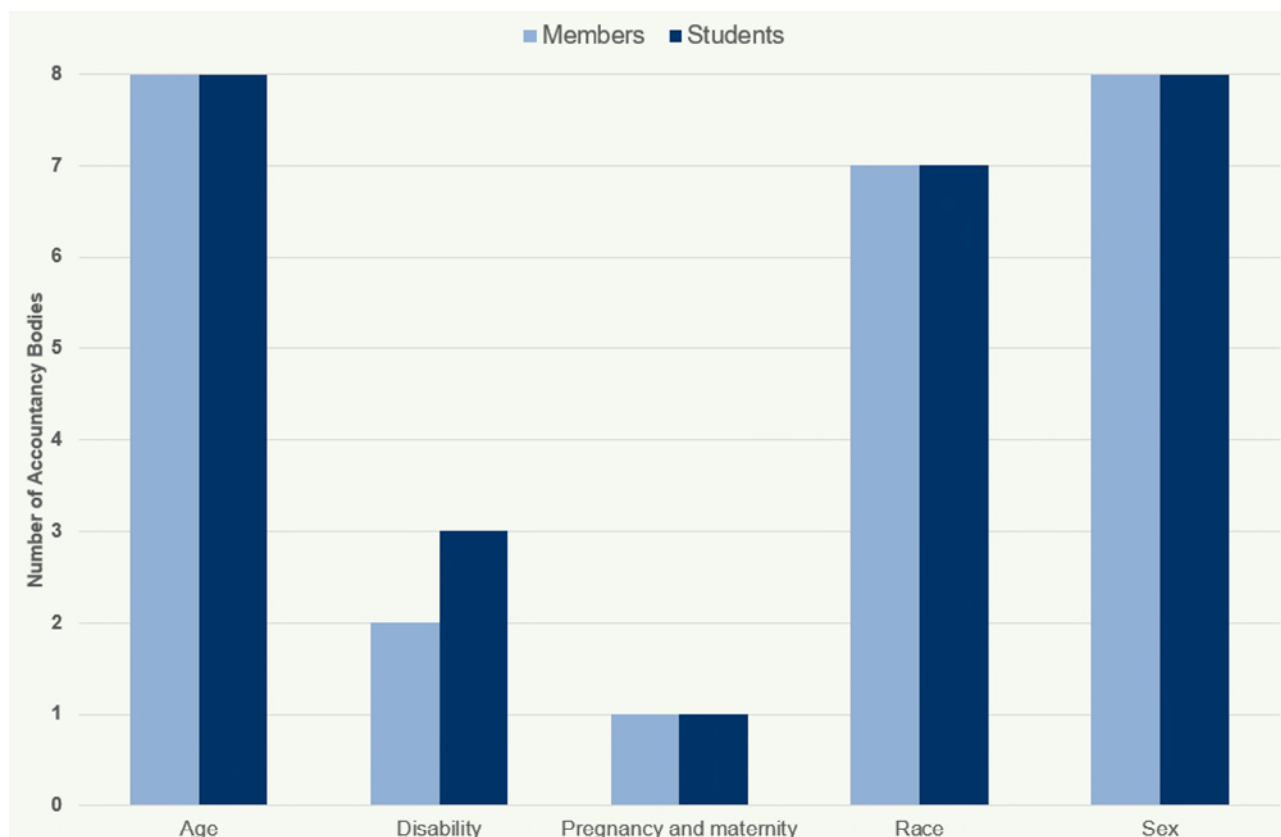
ICAEW, CAI and ICAS have the highest percentage of students aged 34 or under at 97%, 88% and 95% respectively in 2019. In comparison, CIPFA has the largest proportion of students aged 35 and over at 44%.

¹⁰ ICAEW figures relate to the age of the student intake, not the ages of all students.

Diversity Information on Members and Students under the Public Sector Equality Duty (PSED)

We asked all bodies, whether they collect data on the protected characteristics recognised under the Equality Act 2010. Figure 9 shows the number of professional bodies that collect these characteristics of their respective members and students.

Figure 9: PSED Diversity Information Collected on Members and Students 2019



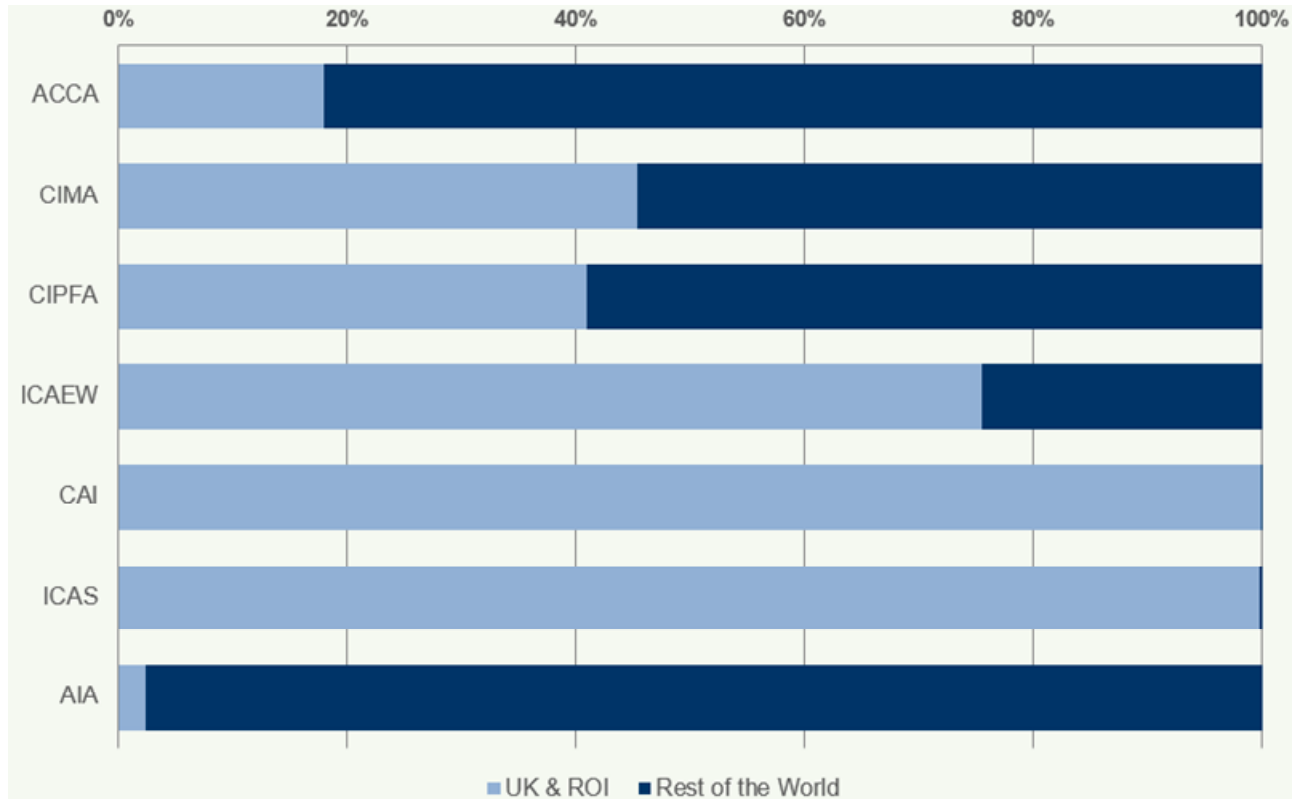
In 2019 five of the nine protected characteristics were used by all bodies to record data on members and students. The other four indicators (Marriage and Civil Partnerships, Religion/Belief, Sexual Orientation and Gender Reassignment) were not recorded. In 2018 all but Gender Reassignment and Sexual Orientation were recorded by all eight of the bodies.

Two of the bodies that collate information on Race stated that they capture data for both the ethnicity and nationality of their members and students.

Location of Students

Figure 10 shows the location¹¹ (UK and ROI, and the rest of the world) of students of the accountancy bodies as at 31 December 2019.

Figure 10: Location of Students 2019



98% of AIA and 82% of ACCA students are based outside the UK and ROI. In contrast, ICAS and CAI have a low percentage of students based outside the UK and ROI.

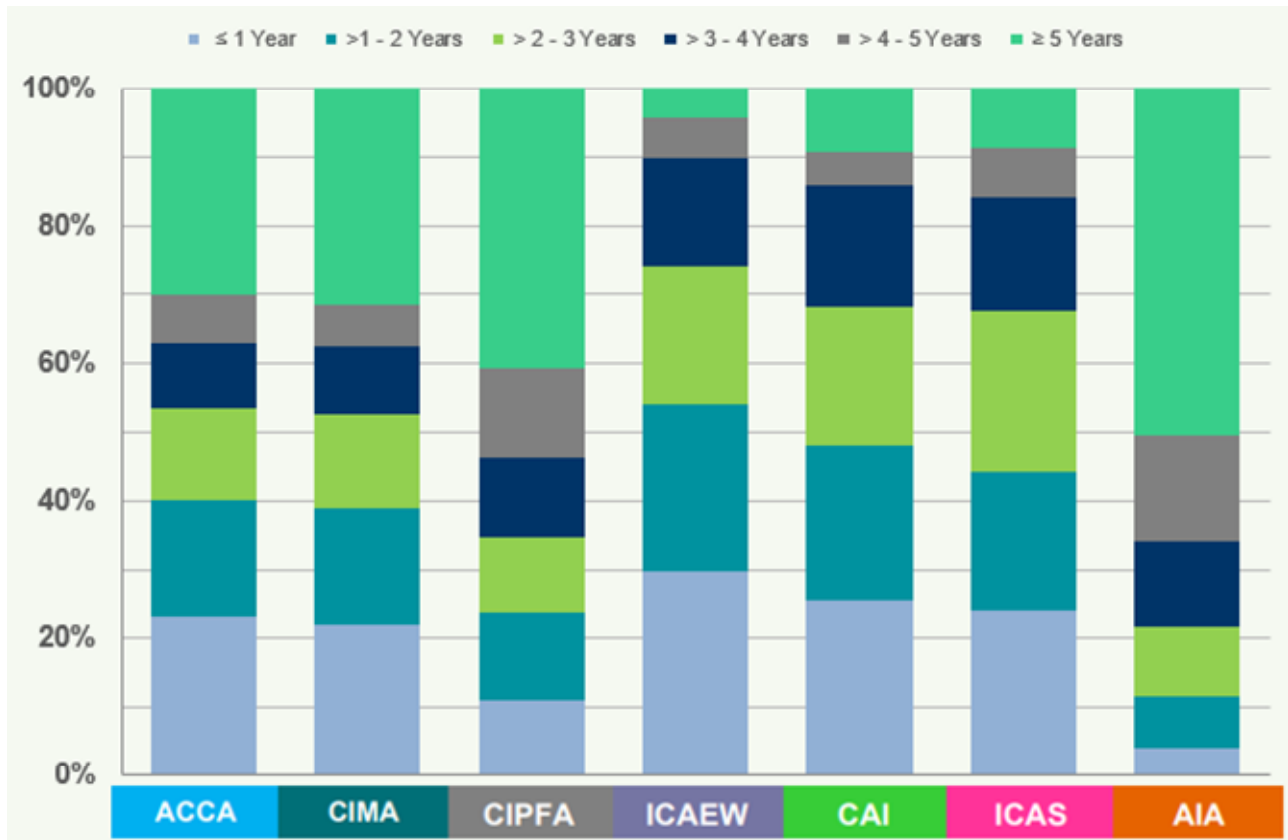
27% of all students from the accountancy bodies study in the UK and ROI.

¹¹ 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 the Accountancy Bodies

Figure 11 sets out on a worldwide basis the length of time¹² that individuals have been registered as students with these accountancy bodies.

Figure 11: Profile of Students Worldwide 2019



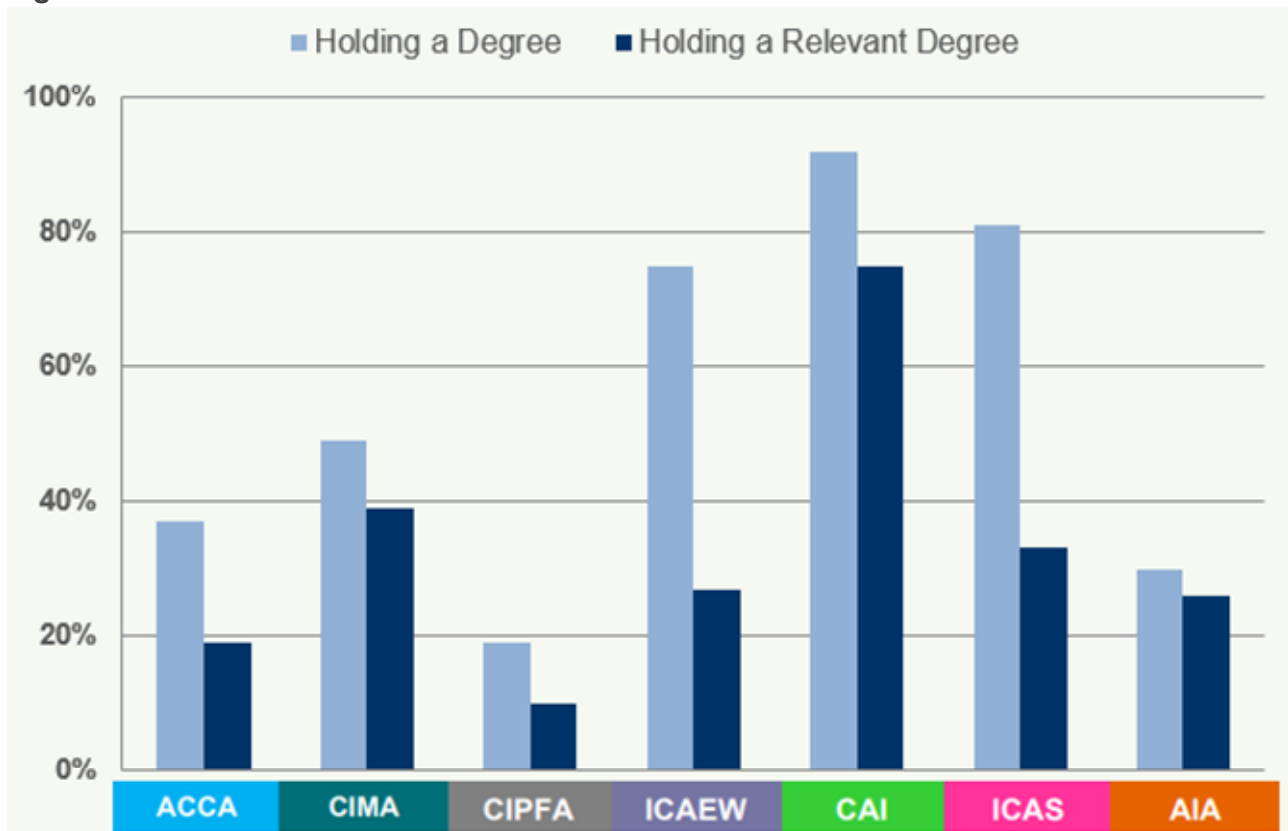
A high percentage of ICAEW, CAI and ICAS students complete their training in 4 years or less, with 10%, 14% and 16% of their students respectively being registered for more than 4 years as at 31 December 2019.

¹² There is no common basis between the accountancy bodies for determining the length of time between registering as a student and achieving the requirements for membership. It is therefore difficult to draw comparisons across the accountancy bodies as they offer different types of qualifications.

Graduate Entrants to Training

Figure 12 shows the percentages of students worldwide of each accountancy body who, at the time of registering as students, were (i) graduates of any discipline and, of those, (ii) graduates who held a “relevant degree”¹³.

Figure 12: Graduate Entrants Worldwide 2019



The accountancy bodies do not require entrants to hold a university degree and offer a range of entry routes.

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

ACCA, ICAEW, CAI, ICAS, CIPFA and CIMA also have apprenticeship schemes intended for non-graduates/ school leavers as an entry route into the accountancy profession.

¹³ The accountancy bodies’ definitions of a “relevant degree” are as follows:

- ACCA – Accounting, or Finance.
- CIMA – Accountancy, Business Studies, or Business Administration & Finance.
- CIPFA – Accountancy.
- ICAEW – Accountancy, Accounting, Finance, Accountancy & Finance, or Accounting & Finance.
- CAI – Accounting, Business, or Finance.
- ICAS – Accountancy, Accounting, Finance, Accountancy & Finance, or Accounting & Finance.
- AIA – Accountancy, Accounting, Business, Finance, or Business & Finance.

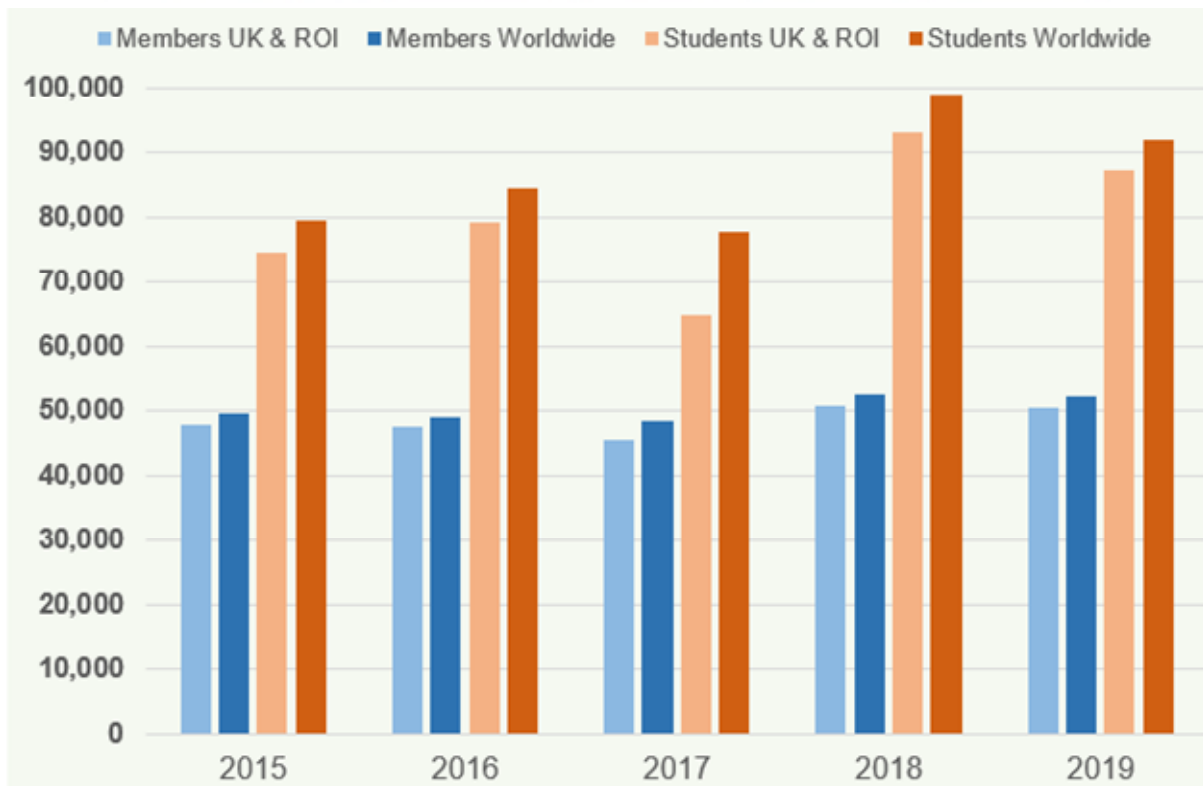
The Association of Accounting Technicians (AAT)

Members and Students in the UK and ROI and Worldwide

AAT is used as an entry level qualification by some of the chartered accountancy bodies included in this publication. Figure 13 shows the number of AAT members and students and the percentage growth rate from 2015 to 2019.

Figure 13: AAT Members and Students 2015 to 2019

	Members		Students	
	UK & ROI	Worldwide	UK & ROI	Worldwide
2015	47,997	49,795	74,498	79,565
2016	47,670	49,196	79,267	84,357
2017	45,537	48,580	64,777	77,649
2018	50,745	52,584	93,068	98,897
2019	50,619	52,346	87,482	92,094
% growth (18 - 19)	-0.2	-0.5	-6.0	-6.9
% growth (15 - 19)	5.5	5.1	17.4	15.7



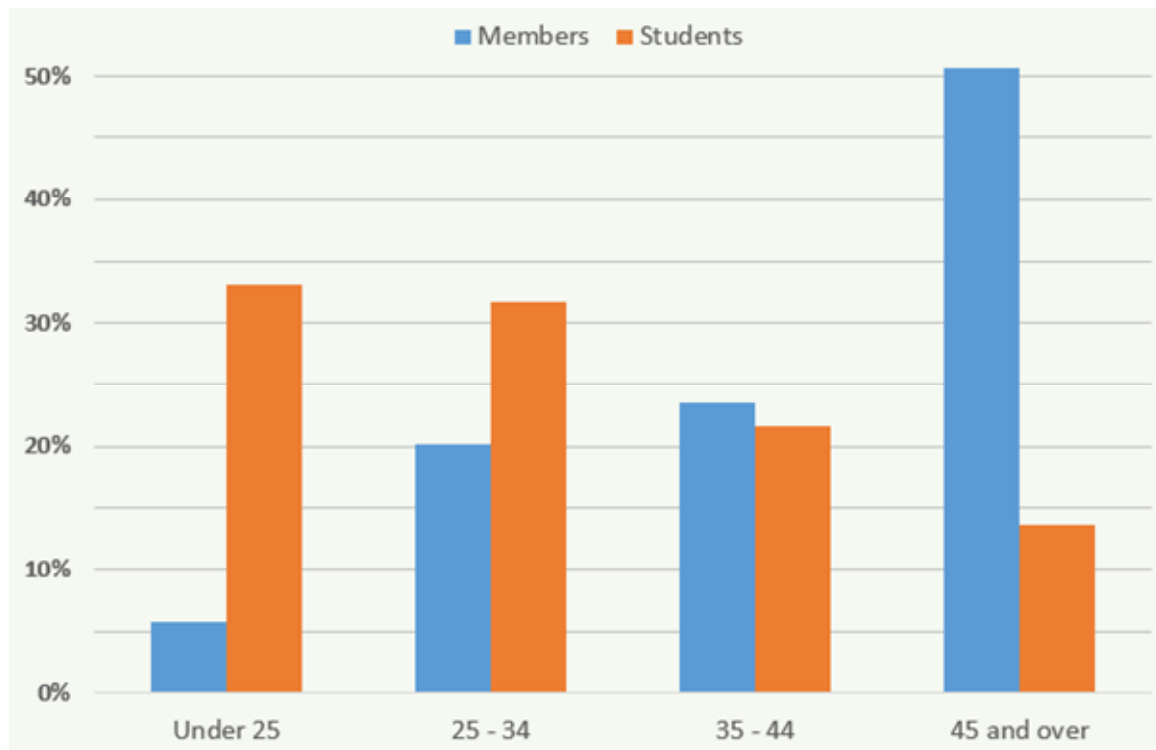
The number of members in the UK and ROI and worldwide both fell by 0.2% and 0.5% respectively between 2018 and 2019.

The number of students also decreased by 6.0% in the UK and ROI and by 6.9% worldwide.

Age Distribution of Members and Students

Figure 14 indicates the age distribution of AAT members and students for 2019.

Figure 14: AAT Age of Members and Students Worldwide 2019



The highest percentage of members (51%) are aged 45 and over while the highest percentage of students (33%) are under the age of 25.

Resource Information

Figure 15: AAT Resource Information 2015 to 2019

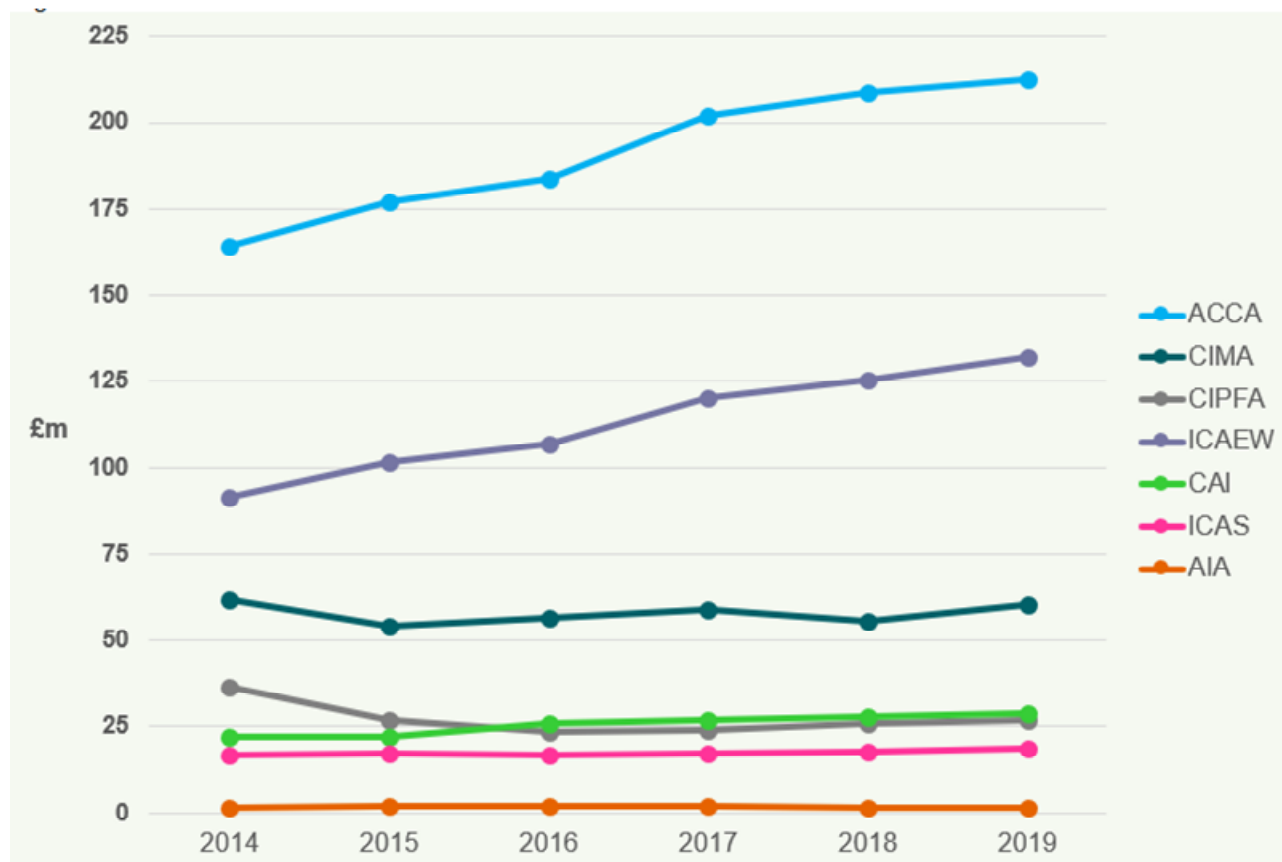
£m	2015	2016	2017	2018	2019
Fees & Subscriptions	14.42	15.60	16.10	15.97	17.23
Education & Exam Fees	11.31	11.65	12.26	12.25	12.68
Regulation & Discipline	0.02	0.03	0.03	0.05	0.07
Commercial Activities	0.33	0.53	0.44	0.56	0.56
Other (Including Investment Income)	1.03	1.16	1.13	1.30	1.09
Total Income	27.11	28.97	29.96	30.13	31.63
Number of Staff	235	249	256	261	264

Section Three – Resource Information on the Accountancy Bodies

Resource Income of the Seven Accountancy Bodies

Figures 16 and 17 show the total and average income from worldwide members and students of the accountancy bodies between 2015 to 2019¹⁴ respectively.

Figure 16: Total Income Worldwide 2015 to 2019



Since 2015, ACCA and ICAEW have experienced a continuous increase in their income, recording the highest income of the seven accountancy bodies at £213m and £132m respectively in 2019.

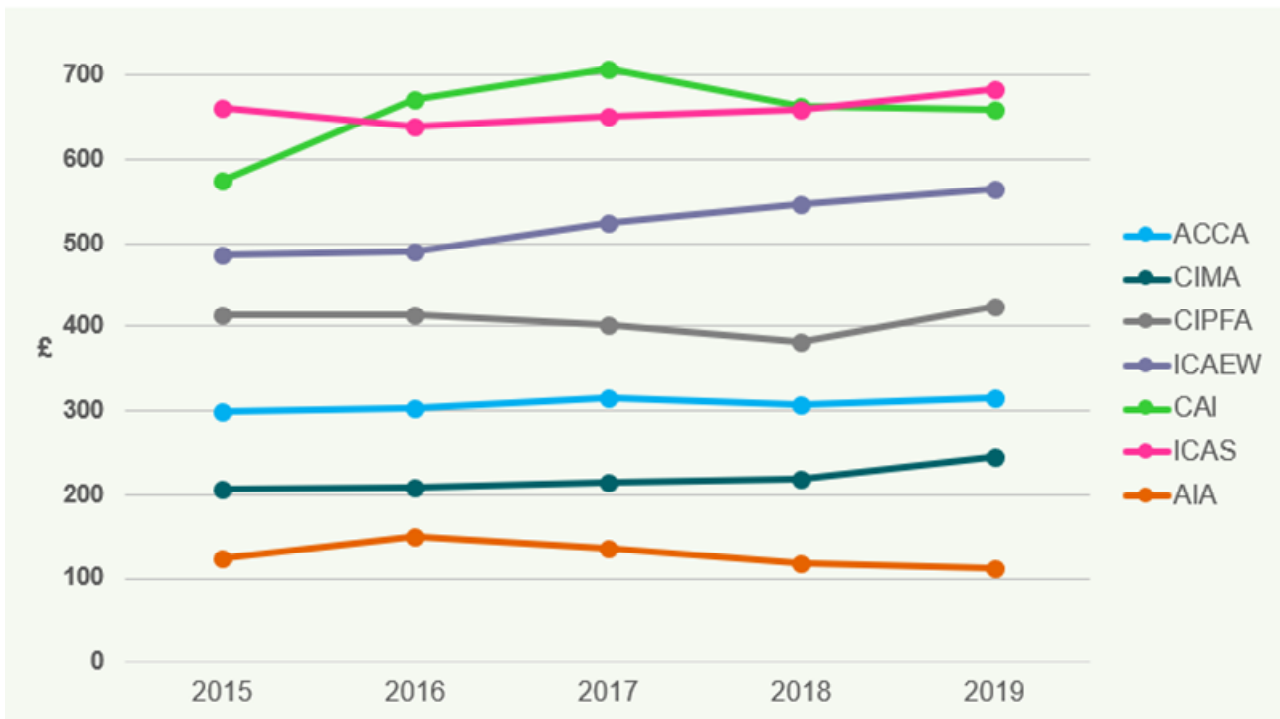
CIPFA and AIA have seen a decrease in their income between 2015 and 2019, down 0.2% and 3.7% respectively.

¹⁴ CAI's income has been converted from euros at the ONS average annual year-end rate. As at 31 December 2019 the rate was €1.1405.

Average Income Per Body from Members and Students

The average income per member and student is calculated by dividing the income of each accountancy body, excluding “Commercial Activities” and “Other” (Figure 18), by its total worldwide population of members and students.

Figure 17: Average Income from Members and Students Worldwide 2015 to 2019



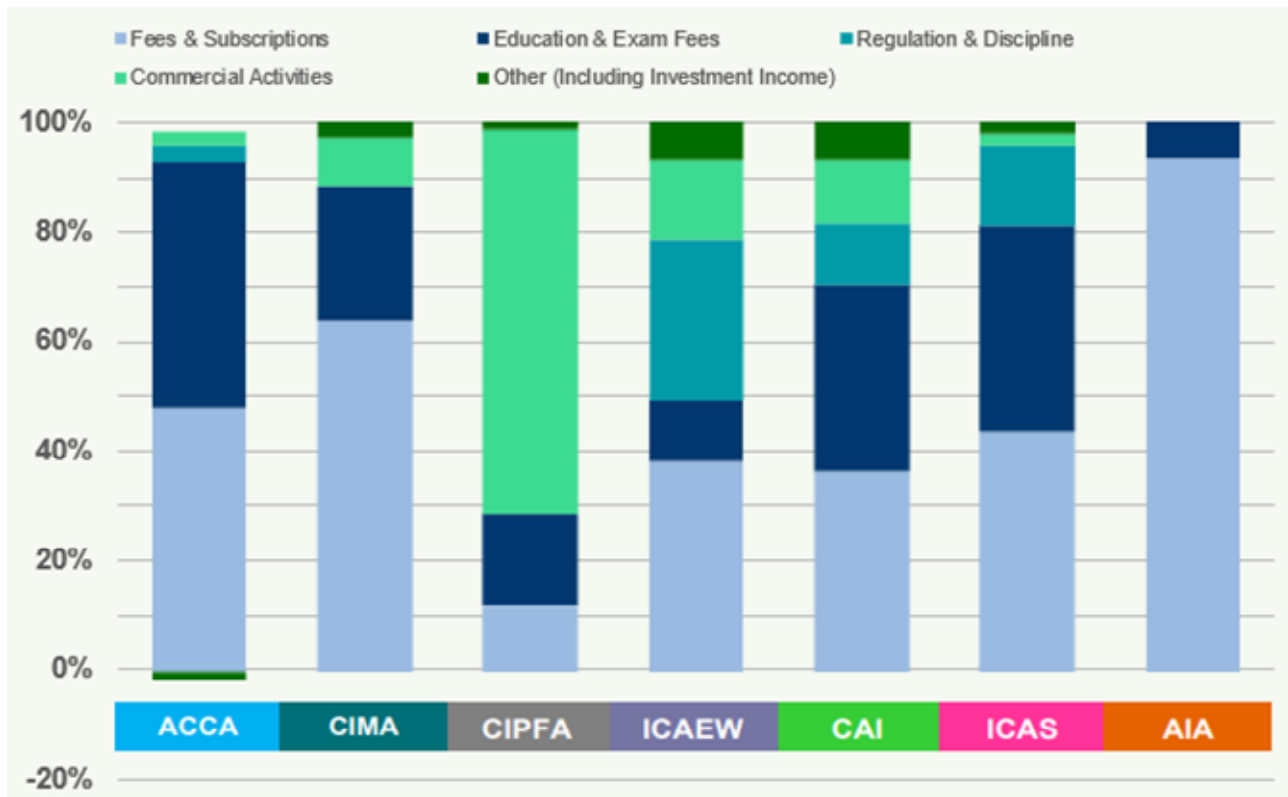
ICAS and CAI have the highest average income per member and student in 2019 with £683.00 and £645.00 respectively.

The fluctuation in CAI’s income since 2015 is partly a result of the exchange rates applied (€1.362 in 2015, €1.175 in 2016, €1.127 in 2017, €1.115 in 2018 and €1.1405 in 2019).

Breakdown of Income

Figure 18 provides an analysis of the streams of income for the accountancy bodies for 2019.

Figure 18: Breakdown of Income 2019



Fees and subscriptions taken together with education and exam fees from members and students are the main sources of income for each of the bodies other than CIPFA. The main source of income for CIPFA is Commercial Activities (70%)¹⁵.

Fees & Subscriptions and Education & Exam Fees make up the entirety of the income for AIA. ACCA had a negative income of £3.6m from other activities.¹⁶

¹⁵ 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.

¹⁶ ACCA Other income includes net investment income of dividends, realised gains on investments and unrealised losses on investments.

Staffing of the Accountancy Bodies

Figure 19 shows the number of staff (full time equivalent) employed worldwide by the seven accountancy bodies from 2015 to 2019.

Figure 19: Staffing 2015 to 2019

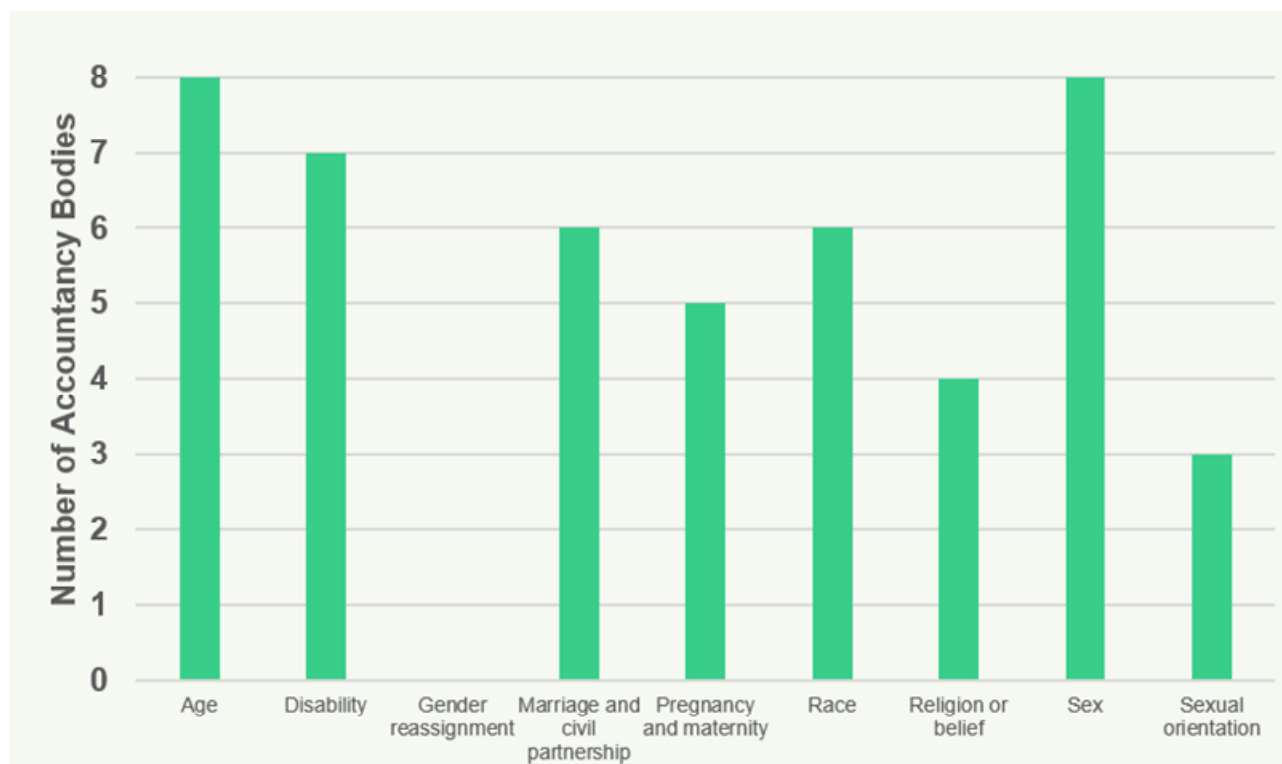
Staffing of the Seven Chartered Accountancy Bodies	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	1,199	459	274	693	147	142	26	2,940
2016	1,272	458	275	724	149	143	26	3,047
2017	1,358	198	259	706	149	154	25	2,849
2018	1,362	190	216	741	150	161	23	2,843
2019	1,383	487	215	692	156	146	21	3,100
% growth (18 - 19)	1.5	156.3	-0.5	-6.6	4.0	-9.3	-8.7	9.0
% growth (15 - 19)	15.3	6.1	-21.5	-0.1	6.1	2.8	-19.2	5.4
% compound annual growth (15 - 19)	3.6	1.5	-5.9	0.0	1.5	0.7	-5.2	1.3

In 2017, CIMA amalgamated with the American Institute of Certified Public Accountants (AICPA). Post-merger, in 2017 and 2018, CIMA were able to supply staff numbers for the UK only, rather than for the whole of the new Association; the 2019 figures once again include CIMA staff worldwide.

Diversity Information on Workforce under the Public Sector Equality Duty (PSED)

In the 2018 publication we reported on the following indicators: age, gender, ethnicity, disability, religion/ belief and sexual orientation. Since then, we amended our questionnaire in line with the PSED and asked all bodies whether they collect diversity information on the protected characteristics listed in the Equality Act 2010. Figure 20 shows the number of bodies that collect this diversity information on their workforce.

Figure 20: Diversity Information on Workforce 2019



All the bodies confirmed that they have a diversity policy and/or statement in place. The policies cover a range of issues such as equality, inclusion and social mobility for both their workforces and external stakeholders. The policies also extend to dealing with bullying and harassment in the workplace.

All the policies are aimed at improving awareness of diversity and ensuring that no employee or applicant for employment is treated less favourably than another because of their protected characteristic.

There is no requirement for employees to disclose their diversity status to their employer.

Section Four – Oversight of Audit Regulation

Recognised Supervisory Bodies (RSBs¹⁷)

Under the Statutory Audit and Third Country Auditor Regulations (SATCAR) 2016¹⁸ the FRC is the designated Competent Authority for statutory audit in the UK. SATCAR 2016 sets out the responsibilities of the Competent Authority and permits the FRC to delegate some of the tasks required to fulfil its responsibilities. The FRC retains the task of monitoring the quality of audits for PIEs¹⁹ and undertaking enforcement actions against members of the RSBs where there are public interest considerations. These are the “Retained Tasks”²⁰.

The FRC delegates statutory tasks for the regulation of auditors of non-public interest entities to the RSBs, through delegation agreements. The FRC oversees the fulfilment of the “Delegated Tasks”, which include provisions for:

- **Registration:** The application of the FRC’s criteria for determining whether persons are eligible for appointment as statutory auditors, the registration of such persons, keeping the register²¹ and making it available for inspection;
- **Continuing Professional Development:** Procedures for maintaining the competence of statutory auditors;
- **Audit Monitoring:** Monitoring of statutory auditors and the quality of audit work; and
- **Enforcement:** Except for categories retained by the FRC, investigations and imposing and enforcing sanctions in relation to breaches of relevant requirements by statutory auditors.

The FRC also exercises delegated statutory functions under Part 42 of the Companies Act 2006 for the recognition, supervision and de-recognition of RSBs. The FRC reports annually to the Secretary of State (SoS) on the discharge of these functions²².

¹⁷ To be an RSB, the body must satisfy the recognition criteria as set out in Schedule 10 of the Companies Act 2006. Individuals and audit firms that wish to be appointed as a statutory auditor in the UK must be registered with an RSB. There are four RSBs: ACCA, ICAEW, CAI and ICAS.

¹⁸ The FRC, as Competent Authority, has ultimate responsibility for the performance and oversight of the audit regulation tasks mandated by EU Regulation 537/2014 and EU Directive 2006/43/EC as amended by SATCAR 2016.

¹⁹ Regulation 2 of The Statutory Auditors and Third Country Auditors Regulations (SATCAR) 2016 defines Public Interest Entities (PIEs) as entities governed by the law of a member state whose secure transferable securities (equity and debt) are admitted to trading on a regulated market in the EEA; and credit institutions and insurance undertakings.

²⁰ Audit monitoring of PIE audits is retained by the FRC. In addition, by agreement with the RSBs, audit monitoring in respect of AIM and ISDX listed entities with a market capitalisation of €200m or more and Lloyd’s syndicates is retained by the FRC. The same retention criteria applies for Enforcement cases.

²¹ The RSBs keep 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 Auditors and Audit Firms in the UK and ROI. It is possible to perform searches by RSB, Firm, Location and/or Individual.

²² This is included as an appendix to the FRC’s Annual Report and Accounts which can be found at www.frc.org.uk/

Number of Firms Registered with the RSBs

Figure 21 shows the number of registered audit firms for each RSB split by the number of principals²³ at each firm, for each of the three years²⁴ to 31 December 2019.

Figure 21: Total Registered Firms by Number of Principals 2017 to 2019

Number of Principals per Firm	ACCA	ICAEW	CAI	ICAS	TOTAL
1	1,006	972	365	44	2,387
2 - 3	477	1,040	304	74	1,895
4 - 6	91	422	52	32	597
7 - 10	1	122	13	8	144
11 - 50	2	65	14	4	85
50+	0	15	2	2	19
Total as at 31.12.19	1,577	2,636	750	164	5,127
Total as at 31.12.18	1,627	2,812	783	172	5,394
Total as at 31.12.17	1,719	2,948	810	183	5,660

The number of audit firms registered to carry out statutory audit work in the UK and ROI continues to fall. The number of registered audit firms fell by 5.8% in 2016/17 (5,660), 4.7% in 2017/18 (5,394) and 4.9% in 2018/19 (5,127).

There has been a decline in 2019 compared to 2018 at each of the RSBs in both the number of registered audit firms that are sole practitioners (2,387 compared to 2,558 last year) and firms with 2 - 6 Principals (1,895 compared to 2,534 last year).

²³ Principals are partners or members of an LLP. Principals in firms may hold their position individually (sole practitioner) or share the responsibilities of serving as principals with other employees.

²⁴ The 2017 figures included former Association of Authorised Public Accountants (AAPA) firms that are now ACCA firms. AAPA was a subsidiary of ACCA and was granted RSB status until 31 December 2016. The 2018 and 2019 figures relate to ACCA firms only.

Statutory Audit Firms

Figure 22 details the number of registrations by firms split by

- **New Applications:** applications submitted to become a registered statutory audit firm;
- **Referred to a Committee:** applications referred by Case Managers to a Committee to make a decision;
- **Approved by Committee:** Committees can approve applications with conditions and restrictions if deemed necessary;
- **Voluntarily Withdrawn²⁵:** where a registered statutory audit firm no longer wants to carry out statutory audit work; and
- **Withdrawn by the RSB:** where an RSB's Committee deems a firm unable to carry out statutory audits to the standard required.

Figure 22: Firm Registrations 2017 to 2019

		New Applications	Referred to Committee	Approved by Committee	Voluntarily Surrendered	Withdrawn by the RSB
2017	ACCA	66	0	N/A	195	8
	ICAEW	80	0	N/A	249	4
	CAI	35	2	N/A	67	2
	ICAS	4	0	N/A	7	0
TOTAL		185	2	N/A	518	14
2018	ACCA	82	0	N/A	168	6
	ICAEW	84	0	N/A	219	1
	CAI	35	2	N/A	60	2
	ICAS	7	1	N/A	17	1
TOTAL		208	3	N/A	464	10
2019	ACCA	87	2	2	131	6
	ICAEW	116	4	2	261	6
	CAI	37	4	2	69	1
	ICAS	5	1	1	12	1
TOTAL		245	11	7	473	14

The RSBs have seen a 12.4% increase in new applicants from 2017 to 2018 and 17.8% from 2018 to 2019. We are now also reporting on the number of applications that were referred to Registration Committees. This year, there was a 64% approval rate overall, with ACCA and ICAS having 100%.

²⁵ The ACCA figures for the number of registrations voluntarily surrendered in 2017 included 21 former AAPA firms.

Monitoring of Registered Audit Firms by the FRC's Audit Quality Review Team

The FRC's Audit Quality Review team (AQR) monitors the quality of the audits of retained audits and the policies and procedures which underpin audit quality at UK audit firms that perform the audits of these entities. The remainder of audit monitoring is conducted by the RSBs.

Figure 23 below details the number of reviews of audits conducted by the AQR during the years ended 31 March 2017 to 31 March 2019^{26, 27 & 28}. More information on work performed by the AQR team can be found in the FRC's Developments in Audit Report at www.frc.org.uk

Figure 23: AQR Monitoring 2017/18 to 2019/20

Inspection Category	Audit Reviews 2017/18	Audit Reviews 2018/19	Audit Reviews 2019/20
Deloitte LLP	25	25	17
EY LLP	18	18	14
KPMG LLP/ KPMG Audit Plc	24	29	18
PricewaterhouseCoopers LLP	28	26	17
Big Four firms	95	98	66
BDO LLP	8	8	8
BSG Valentine	-	0	1
Grant Thornton UK LLP	8	8	9
Mazars LLP	4	5	5
Moore Stephens LLP	5	3	0
RSM UK Audit LLP	-	0	4
UHY Hacker Young	2	0	1
Beever and Struthers	-	2	0
Crowe U.K. LLP	-	2	0
Haysmacintyre	-	2	0
Scott-Moncrieff	-	1	0
PKF Littlejohn	3	0	0
Deloitte (NI) Limited	-	-	2
French Duncan LLP	-	-	1
SBM Associates Limited	-	-	1
	125	129	98
Crown Dependency (CD) audit firms	-	5	5
	125	134	103
Third Country Auditors	3	5	5
Private sector audits	128	139	108
National Audit Office (NAO)	7	7	7
Local Audit	10	14	15
Public Sector audits	17	21	22
Total audits inspected	145	160	130

²⁶ Crown Dependencies (CD) – Guernsey, Isle of Man and Jersey have delegated power and responsibility for monitoring the performance of audits of major Market Traded Companies (MTCs) to the FRC. An MTC is a company incorporated in one of the CDs with issued securities admitted to trading on a regulated market in the EU. In addition to AQR's monitoring of CD audit firms, a further 3, 7 and 8 audits were inspected at the major audit firms in 2019/20, 2018/19 and 2017/18 respectively.

²⁷ NAO – The FRC as the Independent Supervisor of the Comptroller and Auditors General carries out monitoring of Companies Act audit work conducted by the National Audit Office (NAO). The FRC carries out this function under delegation of The Statutory Auditors (Amendment of Companies Act 2006 and Delegation of Functions) Order 2012.

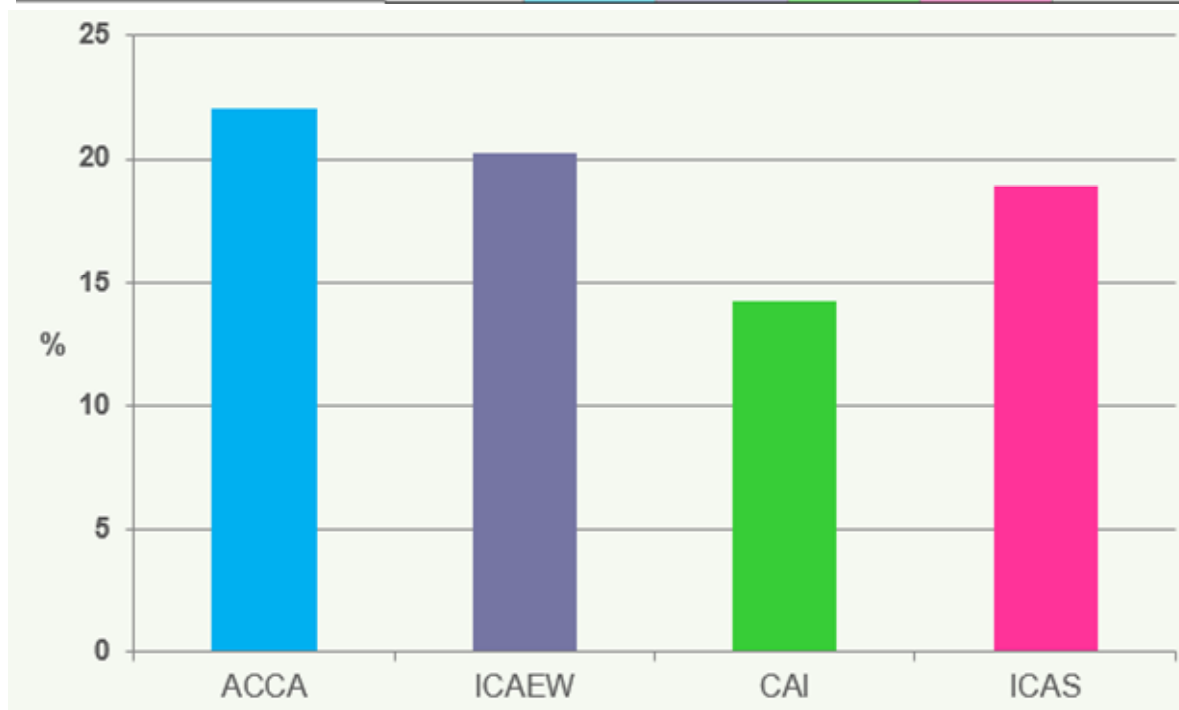
²⁸ Local Audit – As the SoS has delegated powers and responsibilities to the FRC in respect of Local Audit and by virtue of Schedule 5 of the Local Audit and Accountability Act 2014, the FRC is required to report annually on the discharge of its duties. ICAEW and ICAS carry out inspections of firms which audit local public bodies.

Monitoring of Registered Audit Firms by the RSBs

Figure 24 shows the number of monitoring visits conducted by the RSBs during the years ending 31 December 2017 to 31 December 2019²⁹ and the number of monitoring visits conducted as a percentage of the total number of registered audit firms at each RSB. There is a statutory requirement that the RSBs should monitor the activities undertaken by each registered audit firm at least once every six years³⁰.

Figure 24: RSB Monitoring and Percentage of the Total Registered Firms 2017 to 2019

		ACCA	ICAEW	CAI	ICAS	TOTAL
2017	No	291	598	84	44	1,017
	%	18.5	22.7	11.2	26.8	18.0
2018	No	404	567	100	47	1,118
	%	24.8	20.2	12.8	27.3	20.7
2019	No	348	533	107	31	1,019
	%	22.1	20.2	14.3	18.9	19.9



²⁹ ACCA 2019 figure includes 114 desktop reviews undertaken instead of onsite monitoring reviews.

³⁰ Audit firms that have only audited entities subject to the small companies' regime in any of the previous five years should be inspected at least every ten years. A risk-based approach to inspections is agreed with the FRC if the audit firm has not carried out a statutory audit in any of the previous five years.

Reasons for Monitoring Visits to Registered Audit Firms by RSBs

Figure 25 shows the reasons for the monitoring visits to registered audit firms by the RSBs during the years ended 31 December 2017 to 31 December 2019³¹ & ³².

Figure 25: Monitoring Visit Reason 2017 to 2019

		ACCA	ICAEW	CAI	ICAS	TOTAL
Requested by the registration/licensing committee	2017	7	3	6	0	16
	2018	15	2	21	2	40
	2019	4	9	35	2	50
Specifically selected due to heightened risk	2017	96	253	0	23	372
	2018	108	215	9	31	363
	2019	113	136	12	8	269
Cyclical Visits	2017	188	342	78	21	629
	2018	281	350	70	13	714
	2019	231	388	60	18	697
Firms with Public Interest Entities visited without AQR involvement	2017	N/A	N/A	N/A	N/A	N/A
	2018	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A
Firms with Public Interest Entities visited with AQR involvement	2017	0	0	0	0	0
	2018	0	0	0	1	1
	2019	0	0	0	3	3

Since 17 June 2016, audit firms that audit PIEs are subject to review by the FRC's AQR team. Prior to this date, different arrangements applied where the RSBs were responsible for the monitoring of some of these firms. The RSBs have no involvement in the monitoring of PIE audits, although they may rely on AQR's whole firm procedures when monitoring non-PIE audits at those audit firms.

³¹ From 2017 for C rated firms (see Grading of Monitoring Visits below) that had to submit evidence of improved audit quality after their previous visit, ICAEW started to transition revisiting these firms after 3-4 years. This replaced and enhanced the previous approach of conducting a mid-cycle desk top review for such cases.

³² The FRC has changed the categories of the above table in 2017 to better reflect the types of visits performed by the RSBs. The term "Cyclical Visits" denotes visits which take place within the frequency stated in Schedule 10 of the Companies Act 2006 (as amended).

Gradings of Monitoring Visits to Registered Audit Firms by RSBs

Figures 26 to 29 show the grades for the audit monitoring visits to the firms and full audit file reviews conducted by ACCA, ICAEW, CAI and ICAS during the years ended 31 December 2017 to 2019.

The RSBs continue to have different systems for grading the quality of firms and full audit files reviewed.

- **File grading:** ICAEW, CAI and ICAS use the same definitions for grading full audit files. ACCA's definitions are set out below. The percentage of audit files provided in the tables for each of the RSBs is calculated on the basis of the number of files actually graded.
- **Firm grading:** This grade is given following a review by an RSB's inspection unit. The grades and definitions used are set out below.
- **Other types of file review:** Ungraded, limited and/or restricted are classifications for reviews conducted but not graded. An ungraded review is when a firm has no audit clients in a particular year. A limited and/or restricted review is a brief review of a specific risk or aspects noted from a previous visit.

File Grading

ICAEW, CAI and ICAS:

1 (Satisfactory):	No concerns regarding the sufficiency and quality of audit evidence or the appropriateness of significant audit judgments in the areas reviewed; only limited weakness in documentation of audit work; and any concerns in other areas are limited in nature (both individually and collectively). <i>Note: files with non-compliance with audit regulations cannot be graded '1' although there may be 'minor' matters.</i>
2A (Generally Acceptable):	Only limited concerns regarding the sufficiency or quality of audit evidence or the appropriateness of significant audit judgments in the areas reviewed; and/or weaknesses in documentation of audit work are restricted to a small number of areas; and/or some concerns, assessed as less than significant (individually and collectively), in other areas.
2B (Improvement Required):	Some concerns, assessed as less than significant, regarding the sufficiency or quality of audit evidence or the appropriateness of significant audit judgments in the areas reviewed; and/ or more widespread weaknesses in documentation of audit work; and significant concerns in other areas (individually or collectively).
3 (Significant improvements Required):	Significant concerns regarding the sufficiency or quality of audit evidence or the appropriateness of significant audit judgments in the areas reviewed (not limited to the documentation of the underlying thought processes) and/ or very significant concerns in other areas (individually or collectively).

ACCA:

ACCA uses the following initial grade assessment in determining the overall outcome on audit work.

- A Outcomes:** The audit work appears appropriate in scope and extent with no significant deficiencies, forming a reasonable basis for the audit opinion.
- B Outcomes:** Minor deficiencies were noted in the audit work, but these do not result in a significant risk of any material misstatements remaining undetected and the audit opinion is adequately supported by the work recorded.
- C Outcomes:** There is serious non-compliance with applicable standards and/or deficiencies in the audit evidence recorded such that there is a significant risk that any material misstatements would remain undetected.

Summary of monitoring results by Body

Each year a mixture of firms are selected for review. This selection is comprised of firms randomly selected to meet the six-year monitoring cycle and those deemed at high risk of poorer audit quality. Since the firm selection changes each year, monitoring results are not directly comparable year on year.

Furthermore, the sample of firms monitored each year will often include a disproportionate number of weaker firms selected due to the targeted selection of firms deemed to be high risk. This needs to be taken into account when interpreting the percentage of D outcomes at each body. (D outcomes are defined below).

Outcomes reported in the below tables include a number of visits to audit registered firms that have no audit clients. These reviews are done on a desktop basis.

Association of Chartered Certified Accountants (ACCA)

Figure 26: ACCA Gradings 2017 to 2019

Firm Gradings		2017	2018	2019	File Gradings		2017	2018	2019
A & B Outcomes	No	205	289	202	A Outcomes	No	28	32	34
	%	71	71	58		%	4	5	6
C Outcomes	No	45	71	40	B Outcomes	No	482	436	471
	%	15	18	12		%	72	72	74
D Outcomes	No	41	44	39	C Outcomes	No	160	141	128
	%	14	11	11		%	24	23	20
P Outcomes	No	0	0	67	Ungraded/ Limited/ Restricted Review	No	0	0	0
	%	0	0	19					

Firm Grading (ACCA)³³

A Outcomes: (Good) The firm complies 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 Financial Reporting Council.

B Outcomes: (Satisfactory) The firm is eligible for audit registration; it complies with the GPRs, CEC and the ESA and 50% or more of its audit files inspected, including all significant audits, comply substantially with relevant auditing standards.

C Outcomes: (Unsatisfactory and improvements required) The firm is eligible for audit registration and it complies with the GPRs, CEC and ESA but its quality controls over audit work are not effective and either the majority of the firm's audit files, or the significant audit files, inspected do not comply with relevant auditing standards.

D Outcomes: (Regulatory action required) 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 Assessment Department to consider whether disciplinary action is appropriate. 'D' outcomes do not always result from an inadequate standard of audit work but could be for failure to meet the eligibility requirements for holding a firm's auditing certificate; they may also indicate a referral to the Assessment Department for other regulation breaches such as non-compliance with client money rules or with the terms of a regulatory order.

³³ ACCA no longer distinguishes between C+ and C- visit outcomes. As a result, the comparative figures have been amended and the C- visit outcomes reported in 2018 and 2017 have been incorporated into the figures for C visit outcomes.

P Outcomes:

These are visits where the final outcome has not been determined at 31 December. This is a consequence of a process change associated with the introduction of the Audit Monitoring Committee, whereby the outcome is only determined once the firm has submitted its action plan and it has been assessed by ACCA and/or the Committee.

Institute of Chartered Accountants in England & Wales (ICAEW)

Figure 27: ICAEW Gradings 2017 to 2019

Firm Gradings		2017	2018	2019	File Gradings		2017	2018	2019
A & B Outcomes	No	363	333	269	1 Outcomes	No	256	252	199
	%	59	56	54		%	25	25	25
C Outcomes	No	93	116	88	2A Outcomes	No	522	505	395
	%	16	20	18		%	51	49	49
D Outcomes	No	61	59	43	2B Outcomes	No	157	166	151
	%	10	10	9		%	15	16	19
N Outcomes	No	94	85	96	3 Outcomes	No	84	102	62
	%	16	14	19		%	8	10	8
Ungraded/ Limited/ Restricted Review		No	161	174	154				

Firm Grading (ICAEW)

- A Outcomes:** Where there are no instances of non-compliance with the Audit Regulations and no matters requiring follow-up action.
- B Outcomes:** Where there are some instances of non-compliance with the Audit Regulations. ICAEW's Quality Assurance Department (QAD) are confident that the firm has the commitment and ability to correct the issue(s) and the firm's responses address the matters raised without the need for follow-up action.
- C Outcomes:** Where there are instances of non-compliance and follow-up action is required:
- Submit information – Additional details or evidence of the firm's actions previously agreed is required to demonstrate its commitment and ability to correct the issue.
 - Accept withdrawal – non-compliance that would require a follow-up action if the firm had not proposed to withdraw from the audit registration (*No need for a report to Audit Registration Committee (ARC)*).
 - Release from conditions and/or restrictions – Some or no instances of non-compliance and confidence that previous conditions and restrictions can be lifted.
- D Outcomes:** Where instances of non-compliance are likely to be serious or extensive and require a detailed report to ARC which can include three potential outcomes:
- Impose conditions and/or restrictions - non-compliance is likely to be serious or extensive and/or the firm's responses may be inadequate and/or raise doubts about the firm's ability/willingness to make the improvements.
 - Withdrawal – reserved for the most serious situations when the firm's audit registration should be withdrawn.
 - Committee consideration – to provide information to the committee when no conditions or restrictions have been proposed but the committee are required to consider the results of the visit.
- N Outcomes:** Is used for visits where no statutory audit work has been reviewed. For example, a firm continues with audit registration but has no audit clients and no audit work has been reviewed; or a firm's withdrawal application is under consideration by QAD. This rating is also applied to 'Year 2' visits to large firms where no audit files are reviewed.

Chartered Accountants Ireland (CAI)

Figure 28: CAI Gradings 2017 to 2019

Firm Gradings		2017	2018	2019	File Gradings		2017	2018	2019
A & B Outcomes	No	46	57	70	1 Outcomes	No	32	49	56
	%	58	62	62		%	25	28	31
C Outcomes	No	8	11	10	2A Outcomes	No	33	70	74
	%	10	12	9		%	26	40	41
D Outcomes	No	25	24	33	2B Outcomes	No	47	40	28
	%	32	26	29		%	37	23	16
					3 Outcomes	No	15	16	21
						%	12	9	12
					Ungraded/ Limited/ Restricted Review	No	13	32	45

Firm Grading (CAI)

A Outcomes: Where no instances of breaches have been recorded.

B Outcomes: Where breaches were noted, and the firm are deemed to have the ability (competence and resources) to address the issue(s) within the stated timescales.

There will generally be no matters to follow up on firms graded A and/or B.

C Outcomes: Where breaches have been noted and the firm has undertaken actions to address the issues raised. In such instances, the firm is required to provide a written undertaking to cover the volunteered actions. Quality Assurance Committee (QAC) will not impose conditions or restrictions; however, there is a need for further confirmation/follow up.

D Outcomes: Where breaches or issues have been identified, which require consideration by the Head of Quality Assurance and by the QAC. There are four classes of D reports: D1, D2, D3 reports are determined by the seriousness of the regulatory action, while D4 reports provides information to QAC.

Institute of Chartered Accountants of Scotland (ICAS)

Figure 29: ICAS Gradings 2017 to 2019

Firm Gradings		2017	2018	2019	File Gradings		2017	2018	2019
A & B Outcomes	No	22	21	10	1 Outcomes	No	3	8	1
	%	50	45	32		%	3	7	1
C Outcomes	No	17	23	18	2A Outcomes	No	53	73	65
	%	39	49	58		%	66	59	73
D Outcomes	No	5	3	3	2B Outcomes	No	14	29	17
	%	11	6	10		%	18	24	19
N Outcomes	No	0	0	0	3 Outcomes	No	10	13	6
	%	0	0	0		%	13	11	7
					Ungraded/ Limited/ Restricted Review	No	21	51	43

Firm Grading (ICAS)

Since June 2016, ICAS amended its firm grading approach for all regulatory functions including audit. The following amendments have been made from previous years:

Pre June 2016	Post June 2016
A	A
B	B
C2	C+
C1	C-
D3/D2/D1	D

Under the delegation agreement 'A' and 'B' graded monitoring reports are cleared by ICAS staff with C+ reports being dealt with by a Nominated Committee Member ("NCM") outside of main Authorisation Committee with the C- and D reports going to the Authorisation Committee.

A Outcomes: Where no issues have been identified and no follow-up action is needed.

B Outcomes: 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.

C Outcomes: 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 now split into a 'C-' or 'C+' grading with 'C-' being more serious, where one or more of the issues identified are considered to be pervasive; whereas 'C+' is where findings are specific to particular individuals or files and do not indicate systemic problems.

D Outcomes: Where the standard of compliance is such that the Authorisation Committee (AC) needs to consider appropriate follow-up action, such as imposition of conditions and restrictions or withdrawal of registration.

Complaints about Auditors

Figure 30 shows the number of audit related complaints received by the RSBs from 2017 to 2019 split by (i) number of new complaints, (ii) number of cases passed to the FRC Enforcement Division (iii) number of cases referred to the committee³⁴, (iv) number of cases closed in the year and (v) average time taken to close a case³⁵.

Figure 30: Complaints 2017 to 2019

		ACCA	ICAEW	CAI	ICAS	TOTAL
Number of New Complaints	2017	11	61	5	4	81
	2018	8	131	7	9	155
	2019	10	156	8	7	181
Number of Cases referred to the FRC	2017	0	0	0	0	0
	2018	0	0	0	0	0
	2019	0	0	0	0	0
Number of Cases passed to the Committee	2017	12	19	9	3	43
	2018	8	14	7	4	33
	2019	5	40	9	4	58
Number of Cases closed in the year	2017	13	31	11	6	61
	2018	14	76	5	6	101
	2019	8	123	12	7	150
Average time taken to close a Case (in months)	2017	3.7	21	Nil	7.5	
	2018	3.7	15	Nil	4.2	
	2019	3.9	14	6.6	4.0	

The definition of the average time taken to close a case differs across the accountancy bodies. Some record their data having regard to cases that are opened and closed within a particular year, while other bodies take the total length for a case to be concluded.

³⁴ Cases referred to the Committee relate to: ACCA's Disciplinary Committee and Consent Orders Committee; ICAEW's Investigations Committee and referred to the Disciplinary Committee; CAI's Conduct Committee, Disciplinary Committee and Appeals Committee; and ICAS' Investigation Committee.

³⁵ ACCA – The KPI relates to all complaints closed in the reporting year (not specifically audit cases). It is measured from the date allocated to an investigations officer to the date an investigation is concluded (minus external deferral periods).

ICAEW – The KPI is measured by the total number of months it takes in total for a case to close.

ICAS – The KPI is measured by the number of cases opened and closed in a calendar year.

CAI – In previous years this figure has been provided in respect of cases which were opened and closed in the reporting year. In 2017 there were no cases closed which were also opened in the same year.

Recognised Qualifying Bodies (RQBs)

The FRC also exercises delegated statutory functions under Part 42 of the Companies Act 2006 for the recognition, supervision and de-recognition of those accountancy bodies responsible for offering the audit qualification (RQBs) in line with the requirements of Schedule 11 of the Act. There are five bodies³⁶ in the UK recognised to offer the audit qualification. 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. The FRC reports annually to the SoS on the discharge of these functions¹⁹.

Figure 31 shows the number of students registered with each RQB as at 31 December 2017 to 2019. It also shows the number of members who were awarded the audit qualification³⁷ and the number of students following the audit route or eligible for the audit qualification³⁸.

Figure 31: RQB Students and Members 2017 to 2019

		ACCA	ICAEW	CAI	ICAS	AIA
Number of students in the UK and ROI	2017	82,124	20,946	6,655	3,837	127
	2018	81,902	21,618	6,789	3,488	135
	2019	79,937	22,842	7,009	3,862	135
Number of students following the audit route or eligible for the audit qualification	2017	N/A	17,224	5,348	N/A	4
	2018	N/A	17,831	4,440	N/A	3
	2019	N/A	18,657	3,640	N/A	3
The number of members who were awarded the audit qualification	2017	116	859	352	412	0
	2018	86	1,343	811	18	0
	2019	58	1,219	266	170	0
The number of members who hold the audit qualification	2017	3,109	106,605	7,797	11,709	9
	2018	3,052	105,766	8,608	11,327	9
	2019	2,954	105,306	8,874	11,496	9

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

³⁶ ACCA, AIA, ICAEW, CAI and ICAS.

³⁷ The discrepancy in the data from ICAS is due to the implementation of a new membership database (2018 = 18).

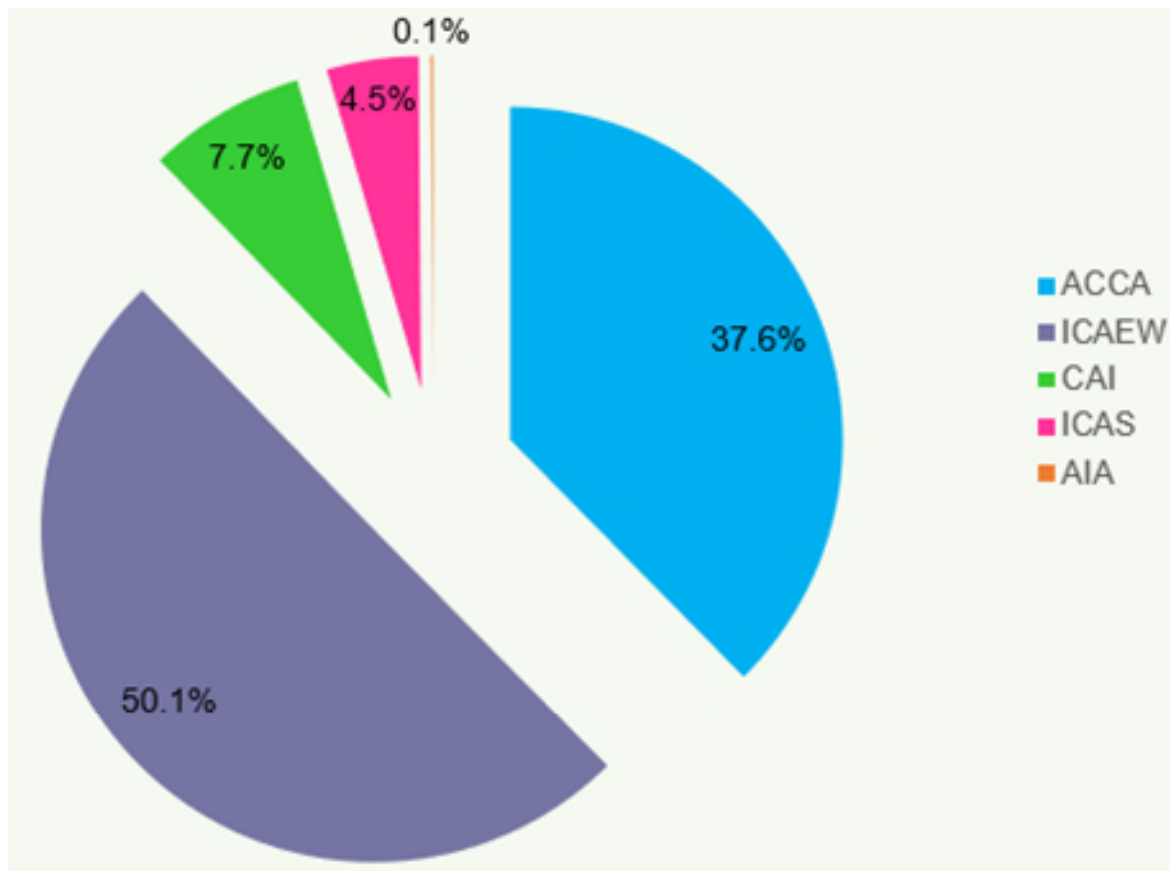
³⁸ Where N/A is stated the information is not collected by the relevant body.

Approved Training Offices

Figure 32 shows the total number of approved training offices³⁹ in the UK and ROI over the period 2017 to 2019. The pie chart represents the 2019 data in percentages by each body.

Figure 32: UK and ROI Training Offices 2017 to 2019 and Proportion of Total Training Offices per Body 2019

		ACCA	ICAEW	CAI	ICAS	AIA
Number of approved Training Offices in the UK & ROI	2017	3,641	4,052	718	195	10
	2018	3,576	4,372	718	394	10
	2019	3,415	4,552	697	405	10



³⁹ ICAS figures include a number of group authorisations. ICAS treats group authorisations as one office.

Section Five – Audit Firms

This section covers Audit Firms with PIE⁴⁰ clients. The FRC as Competent Authority has ultimate responsibility for the performance and oversight of the audit regulation tasks mandated by EU Regulation 537/2014 and EU Directive 2006/43/EC as amended and as implemented by SATCAR 2016. The FRC cannot by law delegate the Regulatory Tasks of audit monitoring and enforcement pertaining to PIEs.

The information in this section 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 publicly available (for example those firms which are Limited Liability Partnerships (LLPs) must file accounts at Companies House if they meet the statutory requirements).

Figure 33 shows the fee income for audit and non-audit services for the 20 audit firms with PIE audit clients who responded to our request for the year ended 2019. Firms are listed in order of their audit fee income, rather than by total fee income. This is not a league table. Not all accountancy firms have PIE audit clients, therefore firms without PIE audit clients are not approached to provide information for this publication. It is therefore possible that there are firms not included in this publication that have a higher audit fee income than those that are listed in the tables below.

Care is needed if making detailed comparisons between firms using the information in Figure 33, as some firms do not analyse their fee income this way 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 34 and 35 analyse the detailed fee income from Figure 33 for the Big Four firms and for many of the audit firms outside of the Big Four respectively⁴¹.

Figure 36 shows the percentage growth of fee income for firms with PIE clients for 2017/18 and 2018/19, while figure 37 focuses on the audit fee income per responsible individual.

Figure 38 shows those audit firms which audit companies listed on FTSE 100, FTSE 250, other regulated markets and AIM as at each firm's financial year-end for 2019. Figure 39 looks at the concentration of listed companies, split between the Big Four, the next five firms and a select number of audit firms that carry out statutory audits as at 31 December for the past five years.

In relation to diversity we asked the firms to provide additional information to build upon last year's data. We asked whether information was captured on the following eight diversity indicators: ethnicity, disability, religion/belief, sexual orientation, marital status, school type attended, first generation to attend university and caring responsibilities (Figure 45). We also requested data on gender, BAME⁴², disability in respect of senior management⁴³ and LGBTQ+⁴⁴ at the PIE audit firms (Figures 40 to 44). A separate analysis of "age" can be found at Figure 45 which aggregates all the

⁴⁰ Regulation 2 of The Statutory Auditors and Third Country Auditors Regulations (SATCAR) 2016 defines Public Interest Entities (PIEs) as entities governed by the law of a member state whose secure transferable securities (equity and debt) are admitted to trading on a regulated market in the EEA; and credit institutions and insurance undertakings.

⁴¹ 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](#)

⁴² Black, Asian and Minority Ethnic (used to refer to members of non-white communities in the UK).

⁴³ Those employed as Managers, Directors and Partners at the audit firms.

⁴⁴ Lesbian, Gay, Bisexual, Trans, Queer/Questioning + Others.

firms' workforce. Of the firms asked, approximately three quarters have diversity policies in place, with some firms having set diversity targets for their staff, boards and committees (Figure 47).

Figure 33: UK Fee Income of Audit Firms with PIE Audit Clients 2019 (By Fee Income from Audit)

UK Firm Name	UK Structure	No. of Principals ⁴⁵	No. of Audit Principals	No. of RIs ⁴⁶	No. of PIE Audit Clients	Fee Income: Audit ⁴⁷ (£m)	Fee Income: Non-Audit Work ⁴⁸ to Audit Clients (£m)	Fee Income: Non-Audit Clients (£m)	Total Fee Income (£m)
PricewaterhouseCoopers	LLP	913	166	324	444	713	239	2,508	3,460
KPMG	LLP	621	139	299	438	631	185	1,582	2,398
Deloitte ⁴⁹	LLP	712	121	261	321	469	195	2,763	3,427
EY UK	LLP	711	118	210	252	453	118	1,876	2,447
BDO	LLP	393	134	151	140	200	92	285	577
Grant Thornton UK	LLP	201	54	96	52	132	60	310	502
RSM UK	LLP	353	101	127	15	77	57	201	335
Mazars	LLP	125	41	48	35	56	20	123	199
Crowe U.K.	LLP	82	41	42	7	33	13	40	86

⁴⁵ Principals are partners or member of an LLP.

⁴⁶ Statutory Auditors/ Responsible Individuals (RIs) are those individuals who are registered to sign audit reports and can include Audit Principals and Employees.

⁴⁷ Figures used for the fee income splits have been rounded to the nearest decimal, accordingly the total fee income is calculated on this basis.

⁴⁸ Paragraph 5.8 of the FRC's Revised Ethical Standard (June 2016) defines 'non-audit services' as comprising of any engagement in which a firm, or a member of its network, provides professional services to (1) an audited entity; (2) an audited entity's affiliates; or (3) another entity, where the subject matter of the engagement includes the audited entity and/or its significant affiliates, other than the audit of financial statements of the audited entity.

⁴⁹ Deloitte LLP figures for 2019 relate to practising activities in the UK, Channel Islands and Isle of Man only.

Figure 33 Continued: UK Fee Income of Audit Firms with PIE Audit Clients 2019 (By Fee Income from Audit)

UK Firm Name	UK Structure	No. of Principals ⁴⁵	No. of Audit Principals	No. of RIs ⁴⁶	No. of PIE Audit Clients	Fee Income: Audit ⁴⁷ (£m)	Fee Income: Non-Audit Work ⁴⁸ to Audit Clients (£m)	Fee Income: Non-Audit Clients (£m)	Total Fee Income (£m)
Haysmacintyre	LLP	32	25	25	10	17	7	9	33
Haines Watts Group	Partnerships, LLPs and Limited Companies	155	67	76	10	12	13	71	96
Johnston Carmichael	LLP	56	14	23	2	9	6	35	49
UHY Hacker Young	LLP	28	12	18	17	7	4	8	19
BHP	LLP	32	14	15	3	5	1	11	18
Beever and Struthers	Partnership	19	11	13	9	5	1	5	12
Hazlewoods	LLP	27	11	13	5	4	2	23	29
Carter Backer Winter	LLP	23	5	7	1	2	1	12	15
French Duncan	LLP	14	3	4	1	1	1	9	12
Watson Buckle	Limited Company	5	3	3	1	1	0.4	2	3
F.W. Smith, Riches & Co.	Partnership	4	3	3	1	1	0.4	1	2

Figure 34: Proportion of Total Fee Income for the Big Four firms 2017 to 2019

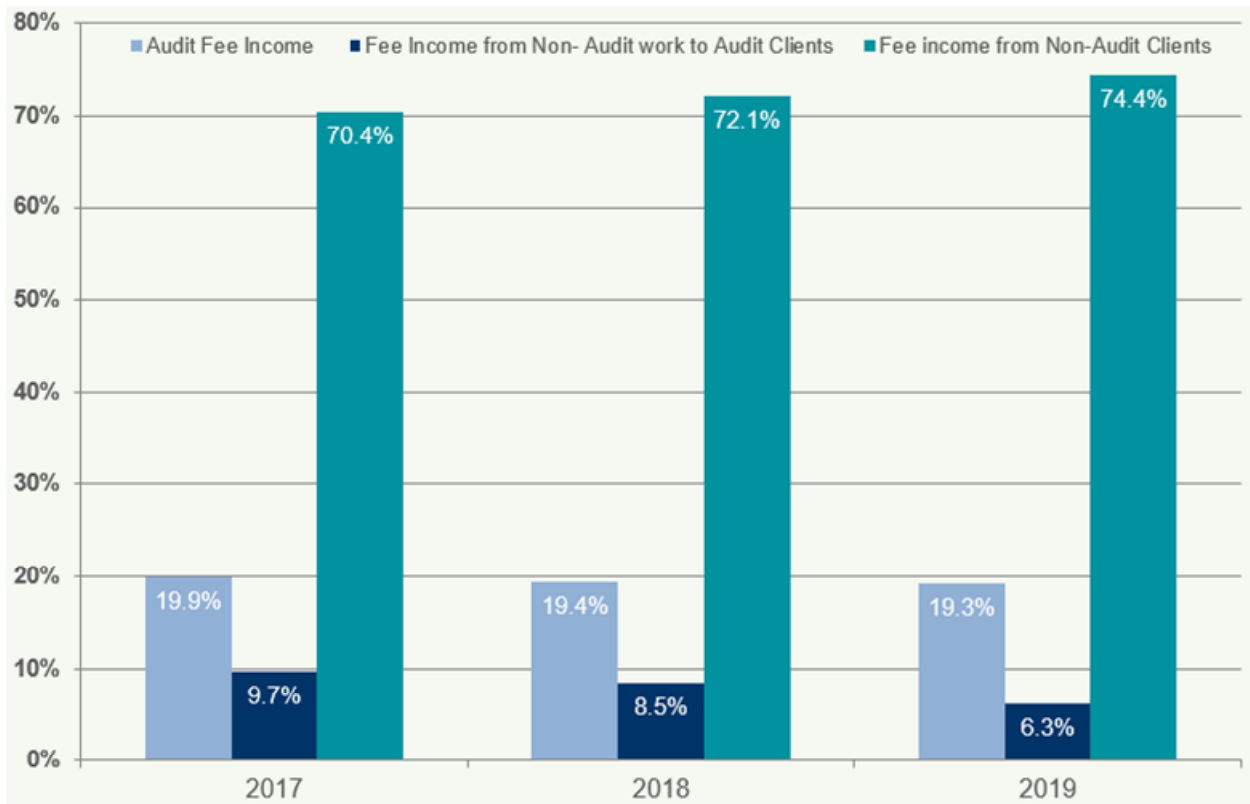
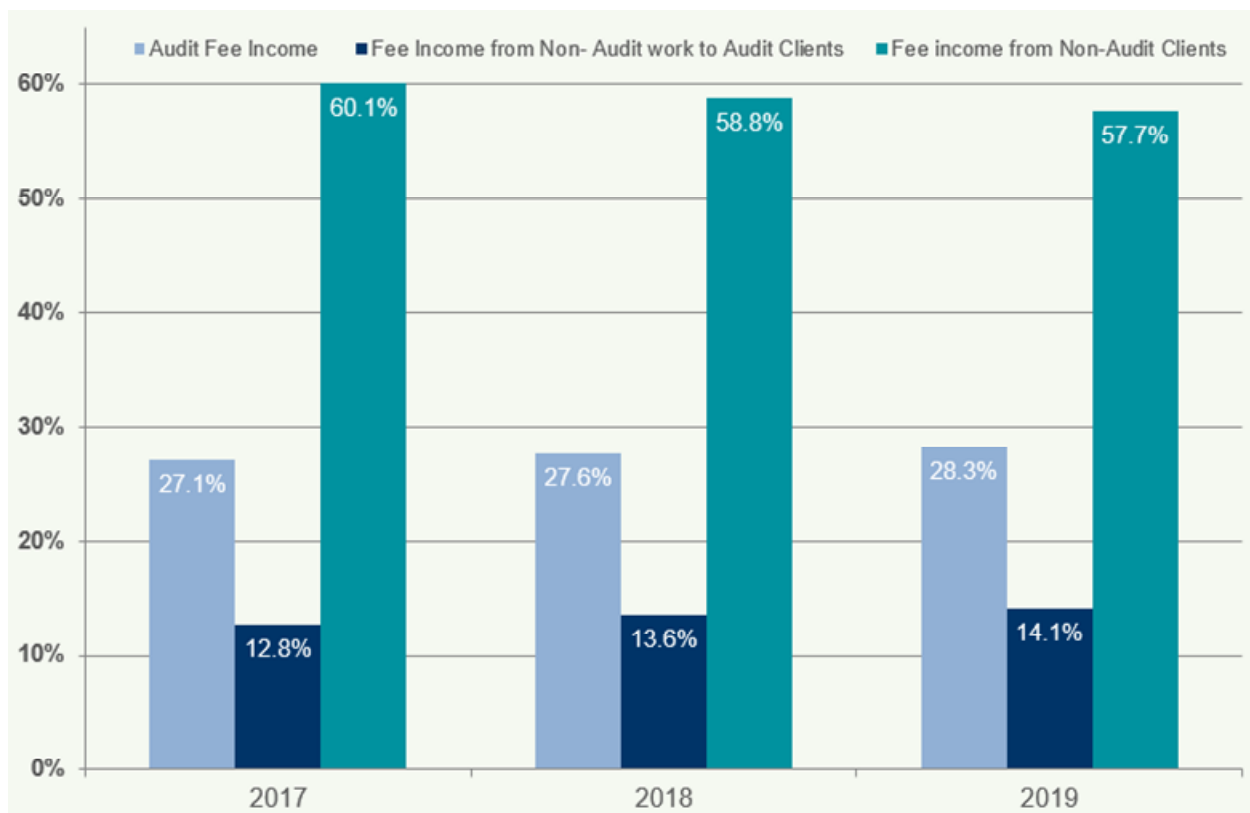


Figure 35: Proportion of Total Fee Income for Audit Firms with PIE Audit Clients outside of the Big Four firms 2017 to 2019

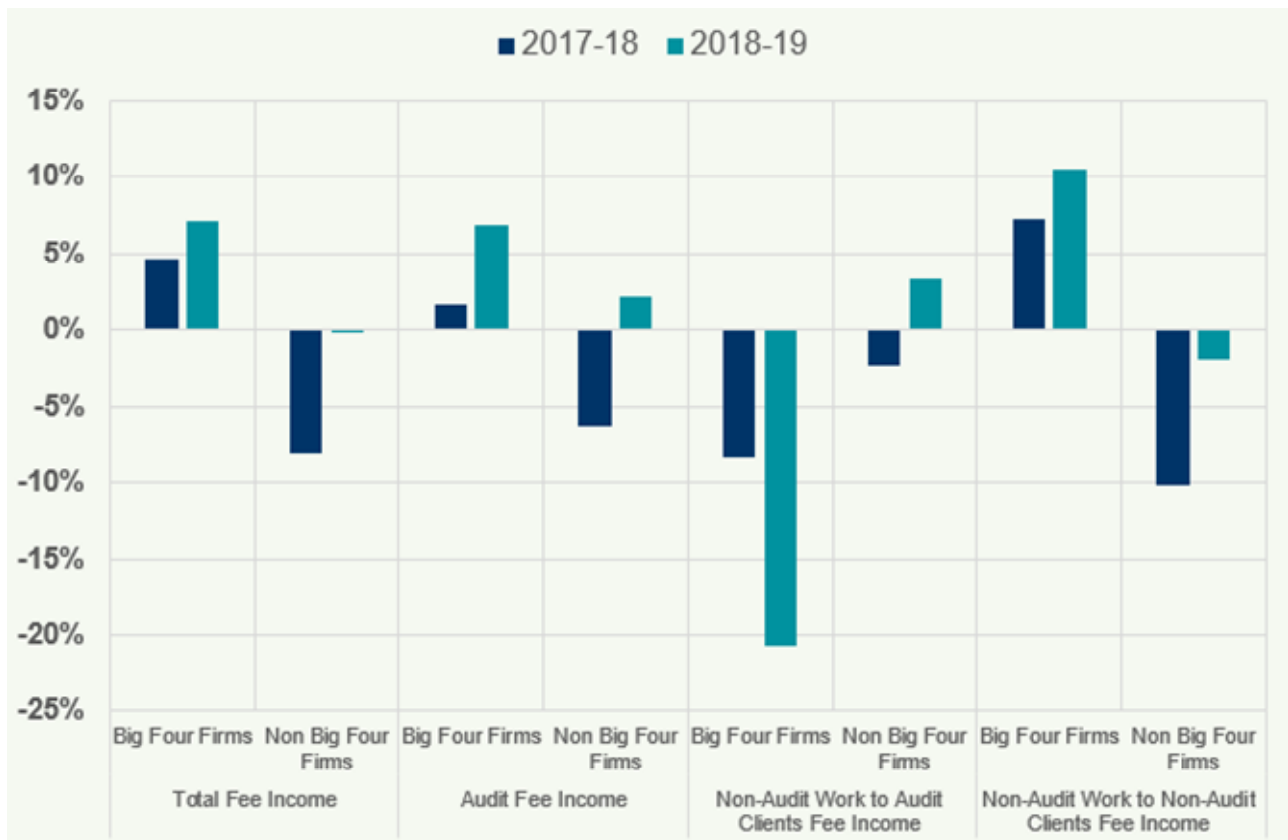


Growth of Fee Income

Figure 36⁵⁰ shows the percentage growth rate of fee income for each of the years from 2017/18 to 2018/19 for audit firms with PIE clients, split between (i) the Big Four audit firms and audit firms outside of the Big Four and (ii) between audit and non-audit income. With only 20 firms taking part this year, the total income for Non Big Four firms may have been impacted by the lack of smaller firms.

Audit firm population changes year-on-year based on those firms with PIE clients.

Figure 36: Growth of Fee Income 2017/18 and 2018/19



In 2018/19, there was an increase in the growth rate of total fee income for all firms with PIE clients. Audit fee income for the Big Four increased by 6.9% in 2018/19 compared to 1.7% in 2017/18.

Fee income for non-audit work to audit clients fell by 20.8% for Big Four firms whilst it increased by 3.4% for Non-Big Four firms in 2018/19.

Fee income for non-audit work to non-audit clients decreased by 2.0% for Non-Big Four firms compared to an increase of 10.5% for Big-Four firms.

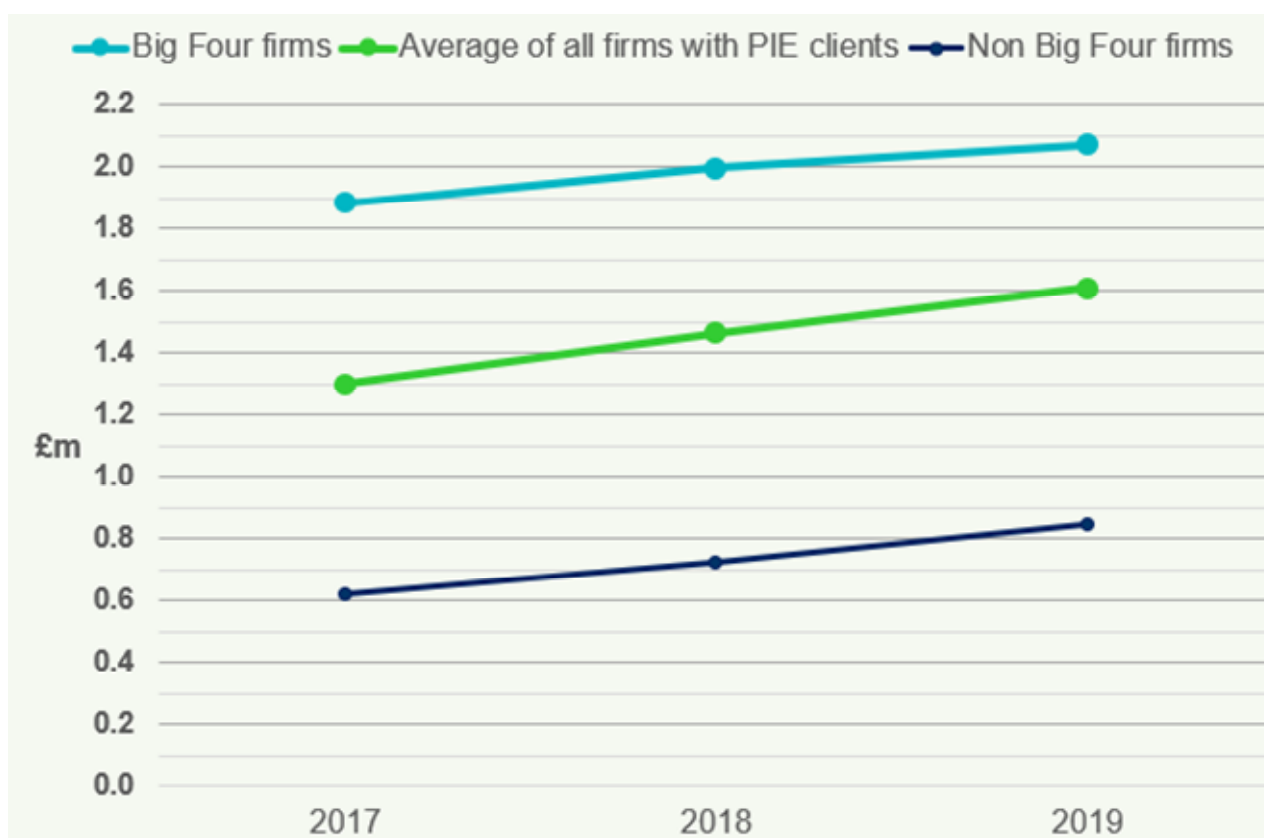
⁵⁰ This information is based on the information provided to the FRC and which is shown in the detailed tables on fee income of audit firms with PIE clients (Figure 33).

Audit Fee Income per Responsible Individual (RI)

Figure 37 illustrates audit fee generated per RI⁵¹ for 2017 to 2019. This information is split between the Big Four firms and the audit firms outside the Big Four.

Figure 37: Average Audit Fee Income per RI 2017 to 2019

Average Audit Fee Income Per RI (£m)	2017	2018	2019
Big Four firms	1.88	1.99	2.07
Average of all firms with PIE clients	1.30	1.46	1.61
Non Big Four firms	0.62	0.72	0.85



There has been a continual increase in the average income per RI for all firms since 2004, when we began our data collection for this publication.

⁵¹ Statutory Auditors/ 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 their firm.

Figure 38: Concentration of Listed Company Audits 2019
(By Number of Listed Clients⁵² – FTSE 100, FTSE 250, UK Equity Listed on Regulated Markets and the Alternative Investment Market (AIM))

UK Firm Name	UK Structure	Year End	No of FTSE 100 Audit Clients ⁵²	No of FTSE 250 Audit Clients ⁵²	Total No of Other Clients listed on Regulated Markets ⁵²	No of AIM Audit Clients ⁵²
PricewaterhouseCoopers	LLP	30 Jun	26	64	93	89
Deloitte	LLP	31 May	25	60	110	40
KPMG ⁵³	LLP	30 Sep	22	46	73	53
EY UK	LLP	29 Jun	16	43	81	27
BDO	LLP	30 Jun	0	5	120	148
Grant Thornton UK	LLP	30 Jun	0	5	25	99
RSM	LLP	31 Mar	0	0	12	54
Crowe U.K.	LLP	31 Mar	0	0	11	40
Haysmacintyre	Partnership	31 Mar	0	0	8	13

⁵² 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. Given client information is reported as at each audit firm's year end, there are slight discrepancies in the total figures for the FTSE 100 (89) and FTSE 250 (223) audit clients.

⁵³ Includes both KPMG LLP and KPMG Audit Plc.

Figure 38 Continued: Concentration of Listed Company Audits 2019
(By Number of Listed Clients⁴⁵ – FTSE 100, FTSE 250, UK Equity Listed on Regulated Markets and the Alternative Investment Market (AIM))

UK Firm Name	UK Structure	Year End	No of FTSE 100 Audit Clients ⁴⁵	No of FTSE 250 Audit Clients ⁴⁵	Total No of Other Clients listed on Regulated Markets ⁴⁵	No of AIM Audit Clients ⁴⁵
Hazlewoods	LLP	30 Apr	0	0	5	4
Mazars	LLP	31 Aug	0	0	4	14
Carter Backer Winter	LLP	31 Mar	0	0	1	0
F.W. Smith, Riches & Co.	Partnership	31 Mar	0	0	1	0
French Duncan	LLP	30 Apr	0	0	1	0
UHY Hacker Young	LLP	30 Apr	0	0	0	8
Johnston Carmichael	LLP	31 May	0	0	0	2
Haines Watts Group	Group of Partnerships, LLPs and Limited Companies	31 Mar	0	0	0	1

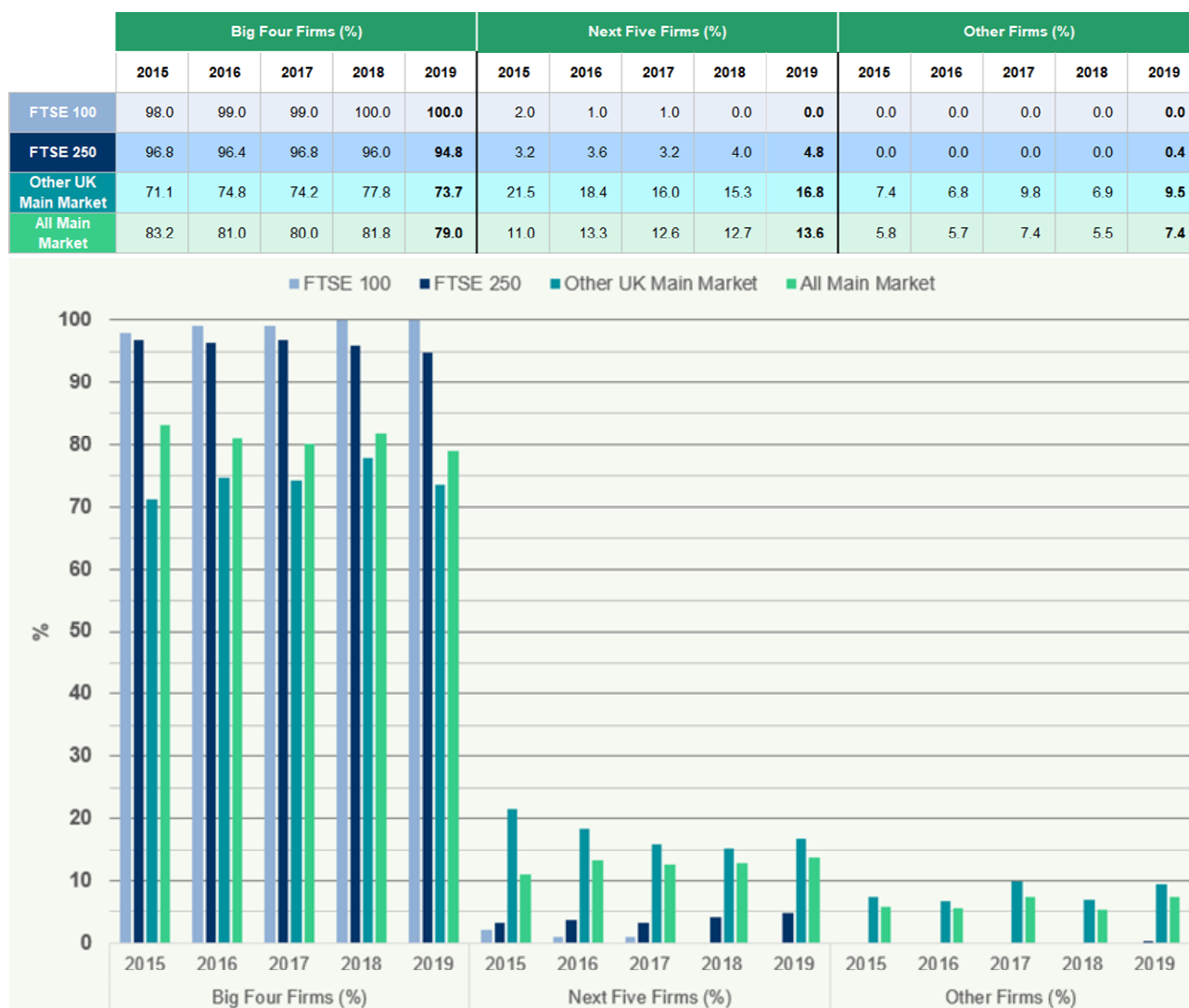
100% of the FTSE 100 audit clients were conducted by the Big Four audit firms in 2019. Both BDO and Grant Thornton have five FTSE 250 audit clients.

Concentration of Listed Company Audits⁵⁴

Figure 39 illustrates the percentage of the number of audits of UK listed (equity and debt) companies undertaken by the Big Four firms⁵⁵, the next five firms (based on the number of listed audit clients) and other audit firms (22), as at 31 December for each of the years 2015 to 2019.

For the purposes of Figure 39, where a listed company is audited by an audit firm from the Crown Dependencies it has been given the same classification as its UK counterparts.

Figure 39: Listed Company Audits Concentrations 2015 to 2019



There is now one 'Other' firm auditing a member of the FTSE 250. 'Other UK Main Market' and 'All Main Market' have also increased for the 'Next Five' and 'Other' firms whereas the Big-Four firms have seen a decrease in these two sections.

⁵⁴ Includes International Main Market Companies.

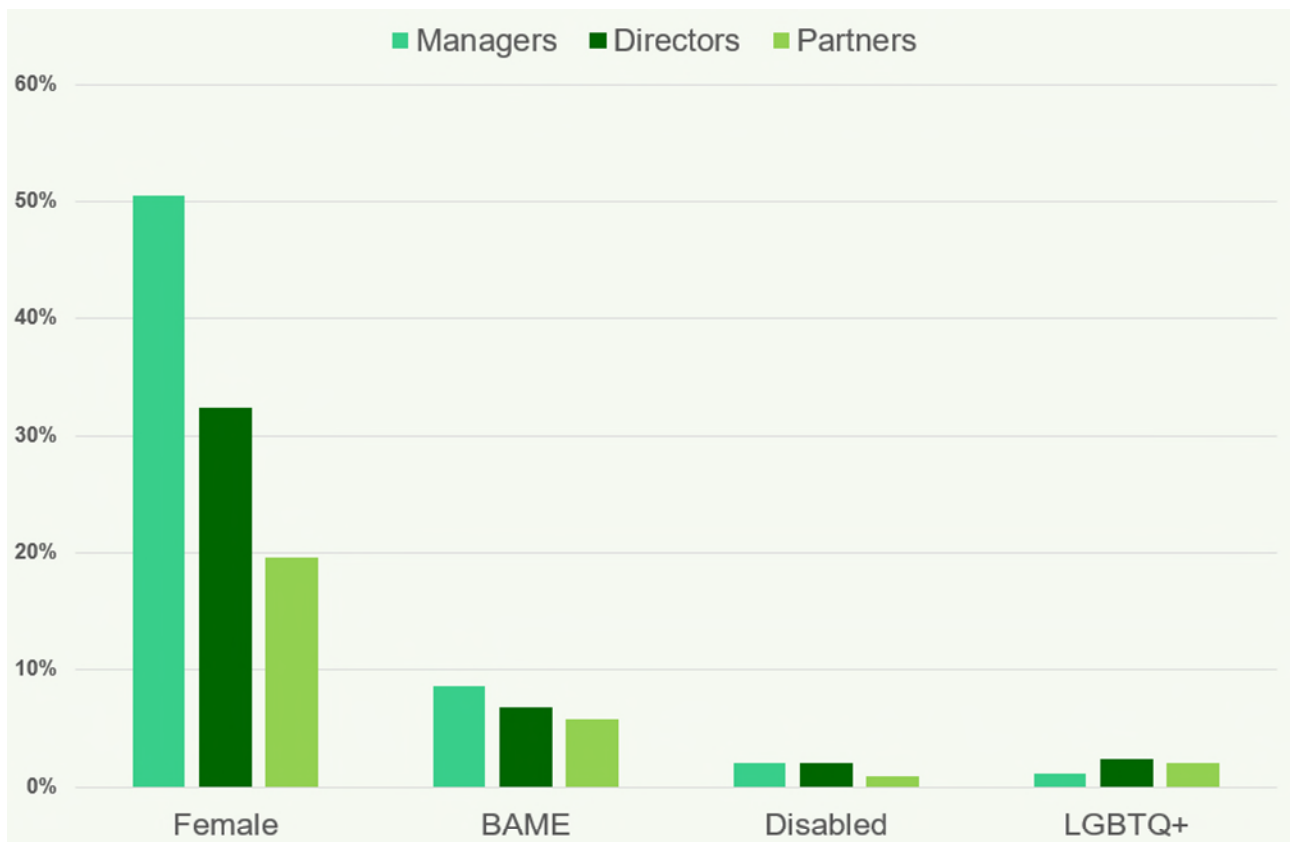
⁵⁵ Includes Big Four network firm offices whether located in the UK or elsewhere.

Diversity of Senior Management³⁷ at PIE Audit Firms

Figure 40 displays the percentage of female, BAME⁵, those individuals who have a disability and LGBTQ+⁴² across three levels of seniority at PIE audit firms: managers, directors and partners.

Figures 41, 42, 43 and 44 further break down this information across different sizes of audit firms: firms with under 200 employees; firms with between 200 to 2,000 employees; and firms with over 2,000 employees.

Figure 40: Senior Management Diversity 2019



All 20 PIE audit firms taking part provided diversity information on their senior management including in respect of gender, BAME, disability and LGBTQ+ (Figures 42, 43 and 44).

Partners were the least diverse amongst the senior management levels for gender, BAME and disability with managers having the lowest percentage for LGBTQ+.

Figure 41: Senior Management 2019 – Female



All 20 firms collect information on the number of female senior leaders. In 2019, the percentage of female senior leaders at firms with under 200 employees was highest at manager level (56%). The proportion was less at director (35%) and partner level (18%).

At partner level, firms with 200 - 2,000 employees had the highest percentage of female senior leaders with 21%. However, at director level, they had the lowest percentage with 30%.

For all three sizes of firm, the percentage of female senior leaders was the greatest at manager level and lowest at partner level.

Figure 42: Senior Management 2019⁵⁶ – BAME



Firms with over 2,000 employees had the highest percentages of BAME individuals at all levels of senior management, at 14.5%, 8.8% and 6.7% respectively. Firms with under 200 employees had no BAME managers.

⁵⁶ The absence of a bar signifies that no data was collected by these firms.

Figure 43: Senior Management 2019⁴⁹ – Disabled



Overall declarations relating to disability are low, with an average of 1.7% of all senior managers disclosing this information. PIE audit firms with over 2,000 employees had the largest number of disability declarations.

Figure 44: Senior Management 2019⁴⁹ – LGBTQ+

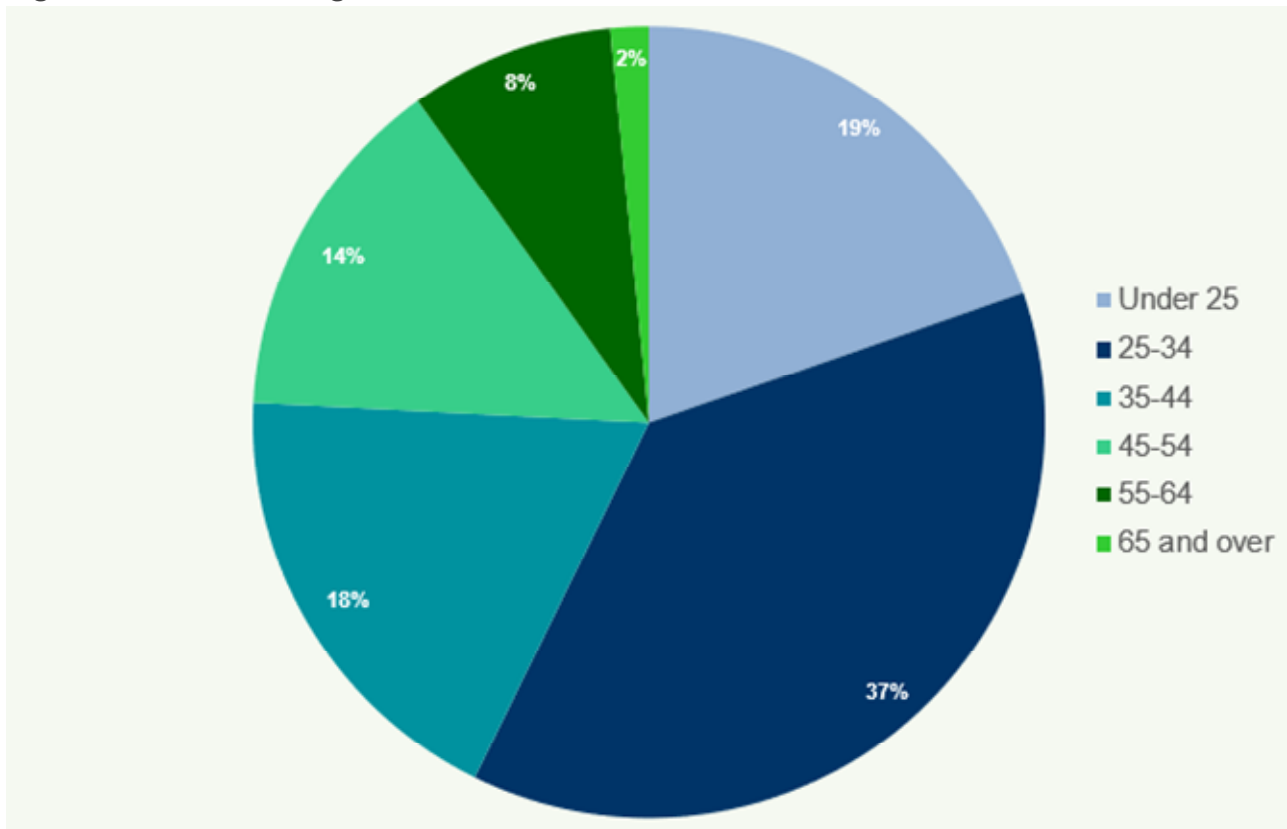


Overall declarations relating to LGBTQ+ are also very low, similar to the chart above relating to disability, with an average of 1.9% of all senior managers disclosing that they identified as LGBTQ+. Firms with 200 – 2,000 employees told us that either they had no LGBTQ+ senior managers or did not disclose this information.

Age of Workforce at the Audit Firms

Figure 45 shows the number of staff at audit firms in 2019 split into six age categories.

Figure 45: Workforce Ages 2019⁵⁷



All 20 firms collect data on the ages of their workforce. The majority of staff employed at audit firms are aged between 25 and 34 on average (37%).

⁵⁷ Percentages may not add up due to rounding and 1% of staff choosing to not provide this information.

Diversity Information Collected by the PIE Audit Firms (Workforce)

Figure 46 shows the number of audit firms that collect diversity information on their staff (illustrated by the bar chart), and for those that do, the average completion rate⁵⁸ of the relevant diversity indicator (represented via the line graph).

Figure 46: Diversity Information on Workforce 2019



All 20 firms reported they collect at least one of the above diversity indicators.

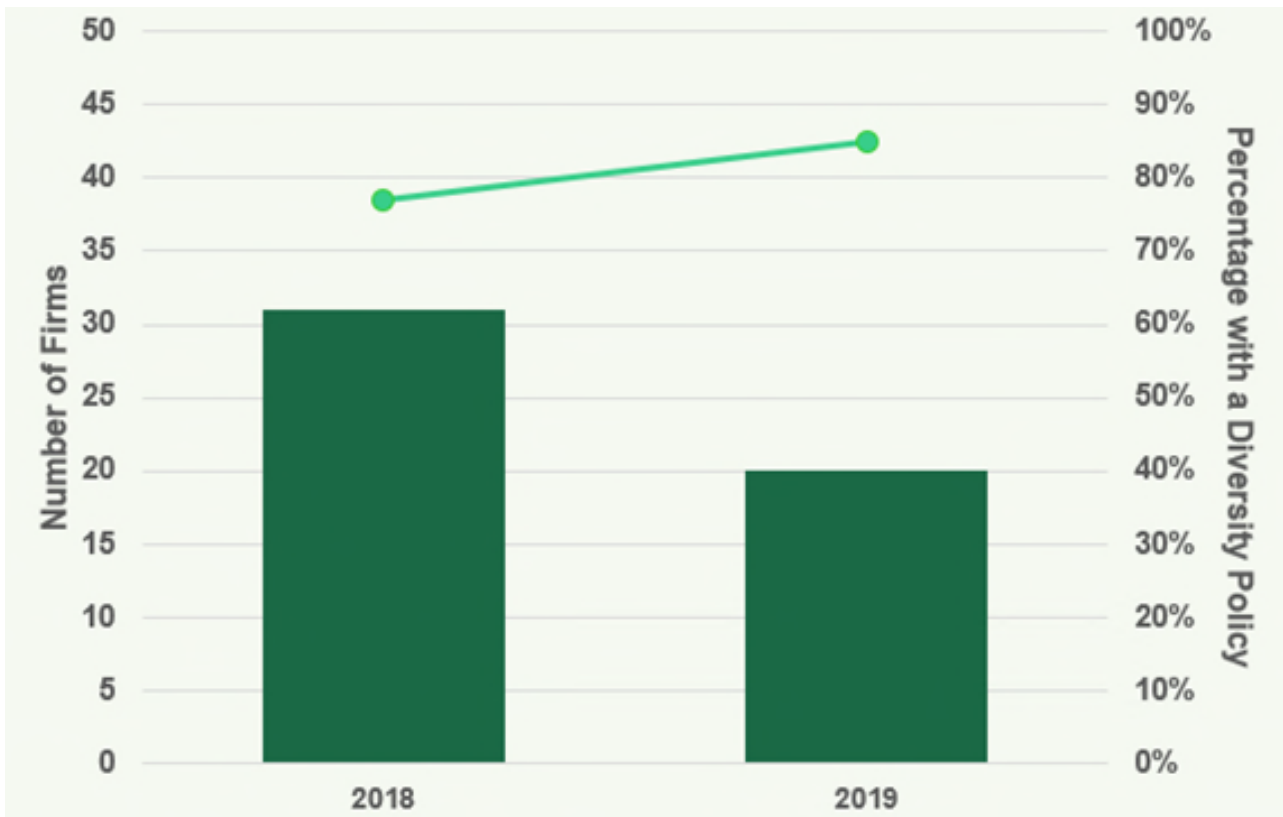
Ethnicity and Disability are the highest collected diversity indicator (16 firms), with ethnicity also having the highest rate of completion of all the indicators (92%).

⁵⁸ Completion rates refer to the percentage of staff in a firm who completed a diversity questionnaire.

PIE Audit Firms with a Diversity Policy

Figure 47 shows the number of audit firms who made returns on whether they have a diversity policy (shown by the bar chart), and the percentage of firms that confirmed to having such a policy in place (illustrated via the line graph) from 2018 to 2019.

Figure 47: Diversity Policies 2018 and 2019



In 2019, 85% of the 20 audit firms questioned have a diversity policy. In 2018, 77% of the 31 firms had diversity policies.

The information received from the firms in respect of their policies include several variants of diversity such as social mobility, equal opportunity and respect and inclusion policies.

Section Six – Data Tables of the Charts (Total Figures and Percentages)

The following tables provide the data which is used to create the corresponding graphs in this publication.

Figure 48: Members and Students in the UK and ROI
Corresponds to Figure 1

Number of Members in the UK and ROI								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	86,828	78,402	12,957	123,541	21,699	17,852	1,489	342,768
2016	90,697	80,007	12,944	125,087	22,696	18,103	1,378	350,912
2017	94,622	82,587	12,630	126,560	23,905	18,528	1,292	360,124
2018	98,049	82,762	12,450	128,626	24,275	18,934	1,458	366,554
2019	101,476	83,657	12,327	130,928	25,374	19,366	1,304	374,432
% growth (18 - 19)	3.5	1.1	-1.0	1.8	4.6	2.3	-11.9	2.2
% growth (15 - 19)	16.9	6.7	-4.9	6.0	16.9	8.5	-12.4	9.2
% compound annual growth (15 - 19)	4.0	1.6	-1.2	1.5	4.0	2.1	-3.3	2.2

Number of Students in the UK and ROI								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	81,460	51,677	1,937	18,165	6,623	3,350	201	163,413
2016	82,953	49,529	2,070	19,713	6,330	3,718	168	164,481
2017	82,124	48,263	1,857	20,946	6,655	3,837	127	163,809
2018	81,902	48,329	1,949	21,618	6,789	3,488	135	164,210
2019	79,937	48,520	2,047	22,842	7,009	3,862	135	164,352
% growth (18 - 19)	-2.4	0.4	5.0	5.7	3.2	10.7	0.0	0.1
% growth (15 - 19)	-1.9	-6.1	5.7	25.7	5.8	15.3	-32.8	0.6
% compound annual growth (15 - 19)	-0.5	-1.6	1.4	5.9	1.4	3.6	-9.5	0.1

**Figure 49: Members and Students Worldwide
Corresponds to Figure 2**

Number of Members Worldwide								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	183,386	102,942	13,640	145,746	24,496	20,709	6,755	497,674
2016	193,976	106,095	14,266	147,538	25,496	21,152	6,786	515,309
2017	204,336	109,415	13,735	149,298	26,562	21,503	7,166	532,015
2018	214,319	110,493	13,358	151,761	27,367	22,028	8,164	547,490
2019	223,454	112,617	13,362	154,531	28,479	22,495	8,718	563,656
% growth (18 - 19)	4.3	1.9	0.0	1.8	4.1	2.1	6.8	3.0
% growth (15 - 19)	21.8	9.4	-2.0	6.0	16.3	8.6	29.1	13.3
% compound annual growth (15 - 19)	5.1	2.3	-0.5	1.5	3.8	2.1	6.6	3.2

Number of Students Worldwide								
	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794
2016	405,376	125,380	4,254	25,822	6,334	3,735	5,244	576,145
2017	414,562	127,241	4,401	27,866	6,662	3,849	5,365	589,946
2018	431,821	117,817	4,749	28,700	6,792	3,488	5,458	598,825
2019	445,186	107,049	5,001	30,241	7,011	3,872	5,624	603,984
% growth (18 - 19)	3.1	-9.1	5.3	5.4	3.2	11.0	3.0	0.9
% growth (15 - 19)	14.6	-14.9	32.3	25.2	5.8	15.0	-24.8	7.9
% compound annual growth (15 - 19)	3.5	-3.9	7.3	5.8	1.4	3.6	-6.9	1.9

Figure 50: Sectoral Employment Worldwide 2019
Corresponds to Figure 4

No. of members	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Working in Practice	55,636	1,783	173	43,706	7,132	5,715	441	114,586
Industry & Commerce	132,062	82,278	1,401	59,633	18,495	10,434	7,557	311,860
Public Sector	16,696	9,416	6,291	4,520	N/A	990	50	37,963
Retired	10,020	15,008	3,111	24,735	1,650	4,116	650	59,290
Other	9,040	4,132	2,386	21,937	1,202	1,240	20	39,957
TOTAL	223,454	112,617	13,362	154,531	28,479	22,495	8,718	563,656

No. of students	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Working in Practice	38,975	134	0	23,974	5,505	3,527	108	72,223
Industry & Commerce	186,929	67,353	734	1,538	76	173	3,096	259,899
Public Sector	39,818	3,873	3,111	520	40	0	29	47,391
Retired	0	67	0	0	0	0	0	67
Other	179,464	35,622	1,156	4,209	1,390	172	2,391	224,404
TOTAL	445,186	107,049	5,001	30,241	7,011	3,872	5,624	603,984

Figure 51: Female Members Worldwide 2015 to 2019
Corresponds to Figure 5

% Female Members Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	46%	34%	33%	28%	40%	33%	30%	35%
2016	46%	35%	32%	28%	41%	33%	32%	35%
2017	46%	35%	32%	28%	41%	34%	34%	36%
2018	47%	35%	33%	29%	42%	34%	36%	37%
2019	47%	36%	33%	29%	42%	34%	36%	37%

Figure 52: Female Students Worldwide 2015 to 2019
Corresponds to Figure 6

% Female Students Worldwide	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	54%	46%	49%	42%	48%	41%	61%	49%
2016	54%	47%	49%	42%	48%	43%	58%	49%
2017	57%	48%	48%	43%	47%	44%	58%	49%
2018	58%	49%	48%	44%	47%	40%	58%	49%
2019	60%	49%	49%	45%	48%	41%	58%	50%

Figure 53: Age of Members Worldwide 2015 and 2019
Corresponds to Figure 7

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	102,935	13,163	145,746	24,496	20,709	6,755	497,190

2019	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Under 25	972	143	9	368	9	73	50	1,624
25 - 34	57,841	14,971	503	28,395	8,247	5,347	746	116,050
35 - 44	78,588	36,336	2,041	31,429	9,343	5,889	2,569	166,195
45 - 54	52,428	31,795	3,321	33,709	5,638	3,747	2,786	133,424
55 - 64	20,711	16,021	3,193	28,693	3,020	3,145	1,138	75,921
65 and over	12,914	13,333	3,623	31,937	2,216	4,248	1,429	69,700
Not Stated	0	18	679	0	6	46	0	749
TOTAL	223,454	112,617	13,369	154,531	28,479	22,495	8,718	563,663

Figure 54: Age of Students Worldwide 2015 and 2019 ⁵⁹
Corresponds to Figure 8

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	≤ 3	813	31,108
Not Stated	0	1,198	908	0	≤ 3	363	0	2,469
TOTAL	388,636	125,763	3,779	24,149	6,627	3,366	7,474	559,794

2019	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Under 25	181,619	34,601	144	16,765	2,873	2,072	2,516	240,590
25 - 34	174,569	36,539	902	12,655	3,323	1,600	1,312	230,900
35 - 44	66,762	23,766	1,170	674	597	90	945	94,004
45 and over	22,236	12,063	1,009	147	188	19	851	36,513
Not Stated	0	80	1,776	0	30	91	0	1,977
TOTAL	445,186	107,049	5,001	30,241	7,011	3,872	5,624	603,984

⁵⁹ In compliance with the General Data Protection Regulation (GDPR), statistics in relation to 3 individuals or less are expressed as "≤ 3" to mitigate the risk of those individuals being identified.

Figure 55: Location of Students 2019⁶⁰
Corresponds to Figure 10

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
UK & ROI	79,937	48,520	2,047	22,842	7,009	3,862	135	164,352
Rest of the World	365,249	58,529	2,954	7,399	≤ 3	10	5,489	439,632
TOTAL	445,186	107,049	5,001	30,241	7,011	3,872	5,624	603,984

⁶⁰ 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.

Figure 56: Profile of Students Worldwide 2019
Corresponds to Figure 11

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
≤ 1 Year	102,456	23,466	548	9,042	1,793	926	226	138,457
>1 - 2 Years	76,373	18,306	643	7,278	1,575	787	431	105,393
> 2 - 3 Years	59,585	14,441	542	6,099	1,421	911	569	83,568
> 3 - 4 Years	41,941	10,554	578	4,798	1,236	634	698	60,439
> 4 - 5 Years	30,747	6,501	651	1,731	350	280	850	41,110
≥ 5 Years	134,084	33,781	2,039	1,293	636	334	2,850	175,017
TOTAL	445,186	107,049	5,001	30,241	7,011	3,872	5,624	603,984

Figure 57: Graduate Entrants Worldwide 2019
Corresponds to Figure 12

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA
Holding a Degree	37%	49%	19%	75%	92%	81%	30%
Holding a Relevant Degree	19%	39%	10%	27%	75%	33%	26%

Figure 58: AAT Age of Members and Students Worldwide 2019
Corresponds to Figure 14

	Members		Students	
	No.	%	No.	%
Under 25	2,973	6%	30,491	33%
25 - 34	10,556	20%	29,213	32%
35 - 44	12,340	24%	19,916	22%
45 and over	26,477	51%	12,474	14%
Not Stated	0	0%	0	0%
TOTAL	52,346	100%	92,094	100%

Figure 59: Income Worldwide 2015 to 2019
Corresponds to Figure 16

£m	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	177.0	54.2	27.1	101.6	21.9	17.2	1.9	400.9
2016	184.0	56.6	23.6	107.0	25.9	16.7	1.9	415.6
2017	202.0	58.9	24.1	120.0	26.8	17.5	1.8	451.1
2018	208.8	55.4	26.0	125.4	28.1	17.8	1.7	463.2
2019	212.7	60.6	26.9	132.2	28.6	18.8	1.6	481.4

Figure 60: Average Income from Members and Students Worldwide 2015 to 2019
Corresponds to Figure 17

£	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
2015	299	206	413	486	575	660	124	325
2016	303	210	415	490	671	639	150	332
2017	315	214	403	525	707	651	136	345
2018	307	218	381	547	664	658	117	345
2019	315	244	425	564	660	683	112	359
% growth (15 - 19)	5.3	18.3	2.8	16.1	14.6	3.4	-9.8	10.5

Figure 61: Breakdown of Income 2019 ⁶¹
Corresponds to Figure 18

	ACCA	CIMA	CIPFA	ICAEW	CAI	ICAS	AIA	TOTAL
Fees & Subscriptions	105.8	38.8	3.3	50.5	10.4	8.2	1.5	218.5
Education & Exam Fees	98.7	14.8	4.5	15.0	9.7	7.1	0.1	150.0
Regulation & Discipline	6.0	0.0	0.0	38.7	3.2	2.7	0.0	50.6
Commercial Activities	5.8	5.3	18.8	19.1	3.2	0.4	0.0	52.7
Other (Including Investment Income)	-3.6	1.6	0.3	8.9	1.9	0.4	0.0	9.6
TOTAL	212.7	60.6	26.9	132.2	28.6	18.8	1.6	481.4

Figure 62: Growth of Fee Income 2018/19 and 2019/20
Corresponds to Figure 36

Growth Rate %		2017-18	2018-19
Total Fee Income	Big Four Firms	4.7%	7.1%
	Non Big Four Firms	-8.1%	-0.1%
Audit Fee Income	Big Four Firms	1.7%	6.9%
	Non Big Four Firms	-6.3%	2.2%
Non-Audit Work to Audit Clients Fee Income	Big Four Firms	-8.4%	-20.8%
	Non Big Four Firms	-2.3%	3.4%
Non-Audit Work to Non-Audit Clients Fee Income	Big Four Firms	7.3%	10.5%
	Non Big Four Firms	-10.1%	-2.0%

⁶¹ ACCA Other income includes net investment income of dividends, realised gains on investments and unrealised losses on investments. CAI income figures may differ due to rounding errors when converting from euros to pounds.

Section Seven – Glossary

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
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
ALC	Admissions and Licensing Committee (ACCA term)
ARD	Audit Regulation Directive
AQR	Audit Quality Review team – part of the FRC
ARC	Audit Registration Committee (ICAEW 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; and • 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.
BAME	Black, Asian and Minority Ethnic
Big Four	The four largest audit firms in the UK: PricewaterhouseCoopers (PwC); KPMG; Deloitte; and EY.
ICAI/CAI	Institute of Chartered Accountants Ireland
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
LGBTQ+	Lesbian, Gay, Bisexual, Trans, Queer/Questioning + Others
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; or • Another entity in respect of the audited entity; • Other than the audit of financial statements of the audited entity.
Principals PIEs	<p>Partners or members of an LLP</p> <p>A new definition of Public Interest Entities 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</p>
PSED	Public Sector Equality Duty introduced by the Equality Act 2010. The duty covers age, disability, sex, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief and sexual orientation.
QAC	Quality Assurance Committee (CAI term)
QAD	Quality Assurance Directorate (ICAEW term)
RI	Responsible Individuals/ statutory auditor 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 five 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
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