



Inquiry Manager
Statutory Audit Investigation
Competition Commission
Victoria House
Southampton Row
London
WC1B 4AD

By e-mail: auditors@cc.gsi.gov.uk

19 June 2013

Dear Ms Carstensen,

GC100 response to the Competition Commission's Statutory Audit Services Market Investigation - Notice of a Further Possible Remedy under Rule 11 of the Competition Commission's Rules of Procedure

I am writing on behalf of the GC100 to respond to the above notice. We submitted a response to the provisional findings and possible remedies in relation to this investigation on 20 March 2013.

GC100 is the association for the general counsel and company secretaries of companies in the UK FTSE 100. There are currently over 125 members of the group, representing some 81 companies.

The GC100 notes the Competition Commission proposal to give the Financial Reporting Council (FRC) a secondary duty to promote competition between firms providing audits to FTSE 350 companies.

The GC100 is in favour of increasing the transparency of Audit Quality Review reports. As noted in our response of 20 March 2013, we are also in favour of more frequent inspections by the FRC of mid-tier firms. However, given that the primary role of the FRC is to promote high quality corporate governance and reporting to foster investment, with an emphasis on audit quality, we do not consider that it would be appropriate to give the FRC a secondary duty to promote competition between firms providing audits to FTSE 350 companies.

Please note, as a matter of formality, that the views expressed in this letter do not necessarily reflect those of each and every individual member of the GC100 or their employing companies.

We would welcome the opportunity to discuss these issues with you further.

Yours faithfully

Mary Mullally
Secretary, GC100