



**IFF Research**

# Technical report Statutory audit services market investigation

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By IFF Research

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# 1 Introduction

## Background

- 1.1 In October 2011, the Office of Fair Trading (OFT) made a reference to the Competition Commission (CC) for an investigation into the supply of statutory audit services to large companies (defined as companies that may be listed from time to time on the London FTSE 100 and FTSE 250 indices – collectively referred to as FTSE 350) in the UK. As part of this inquiry, the CC commissioned IFF Research to undertake a survey of customers of audit services within large companies.

## Objectives

- 1.2 The overall objective of the survey was to obtain from customers of audit services:

*"An overview of the audit process, the relationship that they have with their current auditor, how they were selected and why they might switch in future."*

- 1.3 More specifically the aims of the survey were to obtain from customers:

- Details of their business, including current/ past auditors;
- The importance of various factors in determining the quality of audits;
- The importance attached to various attributes when choosing the auditor;
- Role of individuals/ bodies, including the shareholders, in the choice of auditor;
- Triggers to, and costs of, switching auditor;
- The process of choosing, including tender and non-tender negotiations;
- Whether bundling of services occurs; and
- Action that a company would take if its current firm of auditors unexpectedly ceased trading.

# 2 Methodology

## Overview

- 2.1 A total of 607 interviews were conducted over the telephone using Computer Assisted Telephone Interviewing (CATI) between Thursday 22 March and Friday 11 May 2012. Interviews were conducted with Finance Directors (FD)/ Chief Financial Officers (CFO) and Audit Committee Chairs (ACC) and lasted on average 20 minutes.
- 2.2 We sought to achieve interviews with both the FD/ CFO and ACC in each company. We provide further detail on the number and types of companies where we achieved multiple interviews in paragraph 2.5



## Interviews achieved

2.3 Table 2.1 shows the sample frame (the number of records loaded for interviewing purposes), the achieved sample (the number of interviews completed) and the response rates (calculated as the achieved sample expressed as a percentage of the sample frame), broken down by respondent type.

**Table 2.1: Final achieved sample and response rates by respondent type**

Company type	Total			FD/ CFOs			ACCs		
	Sample frame	Achieved sample	Response rate (%)	Sample frame	Achieved sample	Response rate (%)	Sample frame	Achieved sample	Response rate (%)
FTSE 100	200	77	39	100	38	38	100	39	39
FTSE 250	459	183	40	231	95	41	228	88	39
Former FTSE-listed	289	69	24	145	36	25	144	33	23
FTSE SmallCap and Fledgling	323	94	29	159	51	32	164	43	26
AIM	281	73	26	106	45	42	175	28	16
Top Track 100	167	41	25	85	28	33	82	13	11
Top Track 250	384	65	17	191	47	25	193	18	9
Former Top Track 100	54	5	9	27	3	11	27	2	7
<b>Total</b>	<b>2,157</b>	<b>607</b>	<b>28</b>	<b>1,044</b>	<b>343</b>	<b>33</b>	<b>1,113</b>	<b>264</b>	<b>24</b>



2.4 The final achieved sample and response rates at company level<sup>1</sup> are shown in Table 2.2 below. 'Population' refers to the number of companies within the scope of the inquiry.

**Table 2.2: Final achieved sample and response rates at company level**

Company type	All companies: sample			All companies: population		
	Sample frame	Achieved sample	Response rate (%) <sup>2</sup>	Population	Achieved sample	Response rate (%) <sup>3</sup>
FTSE 100	100	58	58	100	58	58
FTSE 250	229	137	60	250	137	55
Former FTSE-listed	145	52	36	192	52	27
FTSE SmallCap and Fledgling	162	74	46	397	74	19
AIM	180	58	32	788	58	7 <sup>4</sup>
Top Track 100	86	35	41	100	35	35
Top Track 250	191	57	30	250	57	23
Former Top Track 100	27	3	11	46	3	7
<b>Total</b>	<b>1,120</b>	<b>474</b>	<b>42</b>	<b>2,123</b>	<b>474</b>	<b>23</b>

<sup>1</sup> Each company within the scope of the inquiry – or population – is counted only once in the 'company level' calculations. A 'company level' interview could be conducted with an FD/ CFO and/ or ACC; where interviews were conducted with the FD/ CFO and ACC at the same company, only one 'company level' interview is deemed to have been conducted.

<sup>2</sup> Response rate calculated as the achieved sample expressed as a percentage of the *sample frame* (as per Table 2.1).

<sup>3</sup> Response rate is calculated as the achieved sample expressed as a percentage of the *population*.

<sup>4</sup> We achieved a lower response rate (interviews completed expressed as a percentage of the population) among AIM companies because we drew a sample of AIM companies rather than approaching as much of the population as possible (which was the approach taken in other categories). This was done to ensure that the final achieved sample was not skewed towards AIM companies.



- 2.5 We sought to achieve as many 'paired' interviews as possible (i.e. where interviews were conducted with the FD/ CFO and ACC within same company) without detracting from the overall response rate. A total of 133 paired interviews were achieved, broken down as per Table 2.3.

**Table 2.3: Final achieved sample of 'paired' interviews**

Company type	Number of 'paired' interviews
FTSE 100	19
FTSE 250	46
Former FTSE-listed	17
FTSE SmallCap and Fledgling	20
AIM	15
Top Track 100	6
Top Track 250	8
Former Top Track 100	2
<b>Total</b>	<b>133</b>

Response rates<sup>5</sup>

- 2.6 Amongst the company categories where a census approach was used the response rate was highest among FTSE 100 companies (58%) and lowest among Top Track 250 companies (23%). Taking the lowest figure a response rate of 23% (57 companies) from a total population of 250 eligible companies results in a maximum confidence interval of +/-11% at the 95% confidence level.
- 2.7 As mentioned earlier, the response rate for AIM companies (7%) was low as a sample of eligible firms was drawn to avoid over-representing this audience within the survey.

<sup>5</sup> In this section, response rates are calculated by expressing the number of interviews achieved in a particular sub-group as a percentage of the overall population of that sub-group (as per the "All companies: population" data in Table 2.2).



## 3 Sampling

### Database creation

- 3.1 A database template was put together by CC listing all companies relevant to the Inquiry. This file was split into 5 worksheets:
- FTSE 350 (2006-2011) – containing the names of 577 companies which had featured in the FTSE 350 between 2006 and 2011
  - Top Track 100 (2006-2011) – containing the names of 154 companies which had featured in the Top Track 100 between 2006 and 2011
  - FTSE SmallCap – containing the names of the 203 companies in the FTSE SmallCap listing in February 2012
  - AIM – containing the names of the 800 February 2012 AIM listed companies<sup>6</sup>
  - Top Track 250 (2011) – containing the 250 companies in the Top Track 250 in 2011
- 3.2 Each worksheet contained blank fields to be populated with contact details (postal address, email address, telephone number) of each company's FD/ CFO, ACC and Company Secretary.
- 3.3 Nine audit firms were sent a copy of the database template and were requested to populate the blank FD/ CFO, ACC and Company Secretary contact details fields for companies they had recently had dealings with. The nine audit firms involved were:
- Baker Tilly
  - BDO
  - Deloitte
  - Ernst & Young
  - Grant Thornton
  - KPMG
  - Mazars
  - PKF
  - PwC
- 3.4 After each audit firm had populated the database template provided by CC, each file was uploaded to IFF's secure file transfer site and made available to the project team.
- 3.5 In addition to the above, a list of FTSE Fledgling companies was provided by CC. This contained no contact details, only the names of companies.
- 3.6 IFF conducted a sample-building exercise to fill gaps and generate contact details for companies where none had been provided (including all FTSE Fledgling companies). A range of online sources were used including the FT website, individual companies' websites and more general web searches.
- 3.7 Where details for the same company were provided by more than one audit firm, the most complete record was chosen as the 'definitive' record and any gaps were filled by data held in other records as much as possible.
- 3.8 As the remit of the inquiry was to discuss the group statutory audit, subsidiaries of the same overall company were isolated and collated. In these instances, one record was selected to be representative of the overall group.

<sup>6</sup> The population of AIM companies was subsequently revised to 788 in the light of further information provided by CC.



### Classification of companies

- 3.9 Companies were assigned to one of eight discrete 'company types' according to where they featured in the database template put together by CC and/ or their listing status at the time – as follows:
- FTSE 100 – companies that featured in the FTSE 100 listing as of December 2011
  - FTSE 250 – companies that featured in the FTSE 250 listing as of December 2011
  - Former FTSE-listed – companies listed in the 'FTSE 350 (2006-2011)' worksheet of the database template that did not feature in either FTSE 100 or FTSE 250 listings (as of December 2011) and did not feature in any other listings (SmallCap & Fledgling, AIM, Top Track 100, Top Track 250)
  - FTSE SmallCap & Fledgling – companies that featured in the FTSE SmallCap or FTSE Fledgling listings as of February 2012
  - AIM – companies AIM listed as of February 2012
  - Top Track 100 – companies that featured in the Top Track 100 listing as of February 2012
  - Top Track 250 – companies that featured in the Top Track 250 listing as of February 2012
  - Former Top Track 100 – companies listed in the 'Top Track 100 (2006-2011)' worksheet of the database template that did not feature in the Top Track 100 listing (as of February 2012) and did not feature in any other listings (Top Track 250, FTSE 100, FTSE 250, FTSE SmallCap, FTSE Fledgling, AIM)

### Sampling approach

- 3.10 For all company types, with the exception of AIM companies, a census approach was taken – i.e. all records available after the database was compiled and the sample building exercise completed were loaded for interviewing purposes.
- 3.11 AIM companies were treated differently with a sample drawn in order to avoid over-sampling this particular audience.
- 3.12 The number of records used for fieldwork is shown in Table 3.4. Please note that the number of FD/ CFO and ACC records are not equal as a small proportion of individual respondents (either the FD/ CFO or ACC) separately requested to be removed from the sample prior to the start of fieldwork.

**Table 3.4: Fieldwork starting sample**

Company type	All records	FD/ CFO	ACC
FTSE 100	200	100	100
FTSE 250	459	231	228
Former FTSE-listed	289	145	144
FTSE SmallCap and Fledgling	323	159	164
AIM	281	106	175
Top Track 100	167	85	82
Top Track 250	384	191	193
Former Top Track 100	54	27	27
<b>Total</b>	<b>2,157</b>	<b>1,044</b>	<b>1,113</b>



## 4 Questionnaire development

- 4.1 The survey questionnaire was developed in close collaboration with CC. CC provided IFF with broad question topics and following an in-person discussion of these topics to explore how they might be developed, IFF produced a draft questionnaire for review by CC. Upon receipt of comments on the draft, IFF worked closely with CC to refine the questionnaire in an iterative way, responding to comments and providing input on question ordering and wording (including style and tone), usefulness of questions (i.e. whether or not it would be possible to undertake meaningful analysis of the responses) and questionnaire length. IFF understand that CC consulted with audit firms on the content of the questionnaire.
- 4.2 Questionnaire length was a key design parameter. There was an overriding need to keep the telephone interview relatively short and focused to facilitate efficient recruitment of this senior audience (in general longer interviews are more difficult to recruit for) and to maximise engagement levels during the interview, so we sought to design a questionnaire that would take on average 20 minutes to administer. This required some prioritisation of the question areas and IFF liaised closely with CC to ensure that the questionnaire focused on the key information areas.
- 4.3 The iterative process of questionnaire design and development continued until both parties were confident that all required question areas were included in the depth necessary to meet the research objectives.
- 4.4 Three types of open-ended questions featured in the questionnaire:
- Structured questions where respondents were invited to add 'anything else';
  - Open questions where responses were coded during the interview to a pre-determined list of response categories; and
  - Open questions where responses were coded post-interview to a list of response categories formulated on the basis of responses received and agreed with CC.
- 4.5 The coding of verbatim responses to open-ended questions enables quantitative reporting of the data.
- 4.6 The final (post-pilot) questionnaire used for the survey can be found in Appendix B of this report.

## 5 Fieldwork

5.1 Approximately two weeks before the commencement of fieldwork (pilot and main stage respectively), all contacts for whom we had a postal address were sent an advance letter providing information about the purpose and nature of the research. A copy of the letter can be found in Appendix A of this report.

### Pilot

5.2 Having tested the questionnaire internally, the final stage of the design and development phase was to pilot the questionnaire amongst its target audience. The aim of the pilot was to verify whether or not all questions made sense to respondents on the basis of the relevance and intelligibility of their responses, whether all relevant questions were answered, whether 'drop-outs' from the interview occurred at any stage and to monitor questionnaire length.

5.3 The pilot was conducted over three days (Thursday 22, Friday 23 and Monday 26 March) by a small, hand-picked team of interviewers with experience of interviewing senior business decision-makers. All interviewers taking part in the pilot were fully briefed and debriefed by the executive research team, who also listened in to pilot interviews. A total of 19 interviews were conducted during the pilot phase.

5.4 Upon completion of the pilot exercise, IFF produced a short summary report detailing the outcomes of the pilot and making a small number of recommendations for refining and enhancing the survey questionnaire. Following a meeting with CC to discuss the proposed changes, IFF and CC agreed a final version of the questionnaire for the main stage.

5.5 Given the limited extent of the changes to the questionnaire, it was possible to incorporate the pilot interviews within the main data set.

5.6 The final questionnaire used for the survey can be found in Appendix B of this report.

### Main stage – call outcomes

5.7 The main fieldwork phase began on Monday 2 April and ended on Friday 11 May. Table 5.5 shows the breakdown of call outcomes for the telephone fieldwork.

**Table 5.5: Fieldwork call outcomes**

Outcome	Number of records	% of records
Completed interviews	607	28
Refused	397	18
Number unobtainable	37	2
Not available during interviewing period	113	5
No definite outcome at close of fieldwork	996	46
Other	7	*
<b>Total</b>	<b>2,157</b>	

5.8



5.9 We took a number of steps to maximise response, as detailed below:

- Facilitating email and telephone contact between respondents and the research team: approximately 250 appointments were arranged by research team following contact from the respondent;
- In instances where respondents told us at the outset of the call that they had not received the introductory letter, an automated email incorporating the introductory letter was sent; and
- The interviewing team conducted interviews outside normal business hours where required.



## 6 Analysis

### Representativeness of interviews achieved

- 6.1 A key measure of how robust the survey findings are is the representativeness of the achieved sample, i.e. how well it reflects the underlying population.
- 6.2 To assess representativeness, the profile of the achieved sample was compared against the profile of the underlying population using a measure of company size:
- Market capitalisation (for FTSE 100, FTSE 350, FTSE SmallCap and Fledgling Companies);
  - Revenue (AIM companies);
  - Sales (for Top Track 100, Top Track 250 companies).
- 6.3 The market capitalisation and revenue and sales figures were sourced from publicly available lists<sup>7</sup> of the constituents of the various indices and categorised into quartiles. The comparisons in Table 6.6 show a good match between the profiles of the achieved sample and the underlying populations – i.e. approximately 25% of achieved interviews in each quartile band of the underlying population (although larger FTSE SmallCap & Fledgling companies were slightly over-sampled). This means that the achieved interviews in each company category were broadly representative of the underlying population on this basis.

**Table 6.6: Representativeness of achieved sample**

Company type	Percentage of interviews achieved			
	1 <sup>st</sup> quartile of population	2 <sup>nd</sup> quartile of population	3 <sup>rd</sup> quartile of population	4 <sup>th</sup> quartile of population
FTSE 100	30	21	23	26
FTSE 350	20	25	29	26
FTSE SmallCap and Fledgling	9	20	42	29
AIM	18	23	23	36
Top Track 100	26	26	23	26
Top Track 250	27	20	31	22

- 6.4 Please note that the parameters used to assess representativeness (i.e. measures of company size) were the only measures available to IFF to make these assessments. Therefore any conclusions made about representativeness can only be made on this basis. CC will have more information available to it on various characteristics of the population, such as market share.

<sup>7</sup> [www.digitallook.com](http://www.digitallook.com) for all indices except the Top Track 100 and Top Track 250 which were sourced from [www.fasttrack.co.uk/fasttrack/leagues/](http://www.fasttrack.co.uk/fasttrack/leagues/)

### Confidence intervals

- 6.5 Research surveys typically select a random sample to interview from a larger group. The sample attempts to reflect the larger group it has been drawn from and by calculating confidence intervals we can obtain a measure of the reliability of the survey findings, i.e. how well the sample can be said to represent the larger population.
- 6.6 The confidence interval for a percentage is expressed as the estimated percentage plus or minus its margin of error at a given confidence level. Factors that affect the margin of error include the size of sample, the level of confidence required, and the percentage estimated from the sample, e.g. 10% or 50% (the higher the percentage giving a response the lower the likelihood of error).
- 6.7 A larger sample size will lead to a better estimate of the population parameter.
- 6.8 The level of confidence tells you how sure you can be that the true population percentage lies within the confidence interval and is expressed as a percentage: the 95% confidence level means you can be 95% certain; the 99% confidence level means you can be 99% certain.
- 6.9 For example, a survey finding of 60% with a sample size of 250<sup>8</sup> would have a confidence interval of +/- 6.1% at the 95% confidence level. This means that you can be 95% "sure" that the actual finding if you had asked the question of the entire relevant population lies between 53.9% (60-6.1) and 66.1% (60+6.1).
- 6.10 For most non-safety critical research a 95% confidence level is appropriate, so for this survey this level has been used for all confidence intervals and when carrying out significance tests.

### Finite population correction

- 6.11 The formula to calculate confidence intervals, and also those used for carrying out significance tests, assume that the sample size is much smaller than the population size, so that the population can be considered to be effectively infinite in size. However, for this survey the sampling fraction is large, i.e. the achieved sample is more than 5% of the population, and to allow for this high proportion of interviews a Finite Population Correction (FPC) factor has been applied when calculating confidence intervals, and when carrying out significance tests.
- 6.12 The FPC has the following formula where N is the population and n is the sample base size.
- $$FPC = \sqrt{(N - n)/(N - 1)}$$
- 6.13 The FPC lies in the range 0 to 1 so it has the effect of narrowing the confidence intervals, i.e. the high proportion of interviews to population conducted means that the survey estimates are more precise.
- 6.14 For instance, without the FPC the confidence interval for a 50% finding from all 133 FTSE 350 FD/CFOs would be +/- 8.5%. It reduces to +/- 6.7% with the FPC.
- 6.15 Examples of the confidence intervals (including the FPC) associated with some of the sub-groups in this survey are shown in Table 6.7 below.

<sup>8</sup> And assuming an "infinite" population.

**Table 6.7: Confidence intervals associated with key sub-groups**

% finding	FD/CFOs				ACCs			
	All	FTSE 100	FTSE 350	Non FTSE 350	All	FTSE 100	FTSE 350	Non FTSE 350
<b>Achieved sample</b>	<b>343</b>	<b>38</b>	<b>133</b>	<b>210</b>	<b>264</b>	<b>39</b>	<b>127</b>	<b>137</b>
<b>Population</b>	<b>2,123</b>	<b>100</b>	<b>350</b>	<b>1,773</b>	<b>2,123</b>	<b>100</b>	<b>350</b>	<b>1,773</b>
90% / 10%	+/- 2.91%	+/- 7.55%	+/- 4.02%	+/- 3.81%	+/- 3.39%	+/- 7.39%	+/- 4.17%	+/- 4.83%
75% / 25%	+/- 4.2%	+/- 10.9%	+/- 5.8%	+/- 5.5%	+/- 4.89%	+/- 10.67%	+/- 6.02%	+/- 6.97%
50% / 50%	+/- 4.85%	+/- 12.58%	+/- 6.7%	+/- 6.35%	+/- 5.65%	+/- 12.32%	+/- 6.95%	+/- 8.04%



### Minimum cell sizes for analysis

- 6.16 The high proportion of interviews achieved to overall population means that robust analysis can be conducted on relatively small sub-groups. There is no statistical cut-off for how small the sub-groups can be but rather it is a judgement of how useful the analysis of very small sub-groups would be, as the smaller the sub-group the less reliable the survey estimate as the confidence interval gets wider.
- 6.17 For instance, when analysing a base of 30 interviews from a total population of 100, e.g. FD/CFOs at Top Track 100 companies, the confidence interval at the 95% level for a finding of 50% is +/- 15%, which although a relatively wide interval, compares favourably to the equivalent confidence interval for smaller base sizes, e.g. for 20 interviews from a population of 100 the confidence interval is +/- 20%.
- 6.18 In contrast if a base size of 50 interviews was set as the minimum for sub-group analysis the confidence interval at the 95% level for a finding of 50% for a base size of 50 interviews from a population of 100 is +/- 10%. However, setting the minimum cell size at 50 would prevent us from the analysing on the basis of some sub-groups where we have not achieved this number of interviews.
- 6.19 On balance we recommend that the minimum base size for sub-group analysis and significance testing is 30 interviews, as below this level the sample standard deviation can no longer be relied upon as an estimate of the standard deviation in the population and the survey estimates become increasing unreliable, whilst a minimum base of 30 means that analysis can be conducted on many of our smaller sub-groups.

## Significance testing

- 6.20 When comparing the findings of two sub-groups we have tested whether the difference measured is statistically significant, i.e. not due to random chance, at the 95% confidence level. The difference needed to be statistically significant depends on the two survey estimates being compared, the base sizes of the two sub-groups and is also reduced by the FPC factor.
- 6.21 To test significant differences of findings from a sample of matched pairs, i.e. where we have interviewed both the FD/CFO and the ACC from the same company and wish to compare responses, we have used a dependent sample t-test which includes the FPC.
- 6.22 Please note that with small bases the difference needed to be significant can still be quite large even with the FPC applied. For instance, comparing findings between the 38 FTSE 100 FD/CFOs and the 31 Top Track 100 FD/CFOs would require a difference of up to +/- 20% to be statistically significant. When analysing small bases this means that many observed differences which look relatively large will not in fact prove to be statistically significant.
- 6.23 Within the slides significance differences (including the finite population correction factor) at the 95% confidence level have either been circled or shown in green text or a text box has been shown which highlights sub-groups with the significant difference.
- 6.24 For analysis at a company level the population used for the FPC was the total number of companies within the relevant index, e.g. for companies in the FTSE 350 the population used was 350, for non-FTSE 350 companies the population used was 1,773 (i.e. the total number of companies within all the other company categories).
- 6.25 For analysis at the job function level and at the paired interview level the population of FD/CFOs and ACCs used for the FPC was assumed to be equal to the total number of companies within the relevant index, e.g. for companies in the FTSE 350 we have assumed the population of FD/CFOs and ACCs is 350 each, for non-FTSE 350 companies the population used for both FD/CFOs and ACCs was 1,773 (i.e. the total number of companies within all the other company categories).
- 6.26 To calculate the FPC for sub-groups where the overall population is unknown (e.g. the number of FTSE 350 companies that used a Big 4 auditor) we have used the total population, in this case all companies in the FTSE 350. The differences needed to be statistically significant are greater with this approach, as the population used in the calculation is greater than the true (unknown) population. A possible implication of this is that certain results might be statistically significant if the true sub-group population were factored in to the FPC calculations but are not highlighted as such because the population used for the calculation is the total population; this is known as a Type II error.
- 6.27 Where respondents have been asked to rate the importance of a range of factors a different approach is needed to assess whether the importance assigned to each factor is significantly different to each of the other factors. In these cases we have used a single sample test (including the FPC) which assumes the covariance between factors is equal to minus one, i.e. respondents having rated one factor as important will rate the other factors as unimportant. This assumption provides the highest threshold for statistical significance thereby minimising the reporting of false positives, i.e. differences that would not be significant using the full test. Therefore, although our solution does not calculate the actual covariance of the responses to each combination of statements or include a multi-comparison correction factor required by the full test by assuming a covariance of minus one any significant differences reported are highly likely to also be significant using the full test.



### Treatment of open ended questions

- 6.28 The survey questionnaire contained a number of open-ended questions which were designed to provide a greater depth of insight and context to the responses. Three types of open-ended questions were used in the survey:
- Structured questions where respondents were invited to add 'anything else'. The questionnaire contained 7 questions of this type (A1, A2a, B1, B4, B12, C6, D1);
  - Open questions where responses were coded by the interviewer during interview to a pre-determined list of response categories. The questionnaire contained 7 questions of this type (C2, C3, C4, C5, C7a, C9, C11);
  - Open questions where responses were coded post-interview by our specialist coding team to a list of response categories formulated on basis of the responses received and shared with CC. The questionnaire contained 6 questions of this type (B6, B13, B17, C1, C4a, C10) and a total of 1,615 verbatim responses were coded.
- 6.29 The advantage of coding the responses to open-ended questions is that it enables these responses to be included within quantitative analysis and reporting.
- 6.30 It is worth bearing in mind, however, that some caution should be exercised in the interpretation of findings based on open-ended questions:
- When reviewing the findings from the first type of open-ended question (structured questions where respondents were invited to add 'anything else'), direct comparisons should not be made between the proportion responding to the structured element of the question (i.e. a prompted response) and the proportion responding to the unstructured element of the question (i.e. a spontaneous response): the former proportion is likely to be considerably higher.
  - In a similar vein it is possible that the findings from the other two types of open-ended questions understate the true extent of certain attitudes or behaviours, as respondents inevitably provide their top-of-mind, spontaneous responses to such questions and may not recall all the relevant information at the time of answering because they are not prompted with suggestions.

### Data tabulations

- 6.31 To facilitate the range of analysis necessary for the various sub-groups of interest five sets of data tables were produced.
- At the company level in order to focus on more objective, behavioural measures. Please note that, where the FD/ CFO and ACC from the same company participated in the survey, the FD/ CFO response has been used for these tables.
  - At the job function level to focus on more subjective, attitudinal measures. Three sets of tables were produced, i.e. a set of tables for all FD/ CFOs interviewed, a set of tables for all ACCs interviewed and a set of tables comparing all FD/CFO responses to all ACC responses.
  - Finally, a set of tables based on the paired interviews conducted to enable direct comparison between responses from FD/ CFOs and ACCs from the same company.
- 6.32 All sets of data tables are tested for significance at the 95% confidence level and the 99% confidence level. This testing does not include the finite population correction factor. Each table highlights significant differences at the 95% confidence level, shown by a lower case letter corresponding to the column being tested, and the 99% confidence level, shown by an upper case letter.



## 7 Appendices

### Appendix A: introductory letter to FD/ CFOs and ACCs

From: Mark Bethell  
Inquiry Director

8th May 2012

Dear Sir/Madam,

#### **Investigation into the Supply of Statutory Audit Services to Large Companies**

The Competition Commission (CC) is an independent public body established by the Competition Act 1998. It conducts in-depth inquiries into mergers, markets and the regulation of the major regulated industries.

The CC is currently undertaking a market investigation into the supply of statutory audit services to large companies in the UK.<sup>9</sup> As part of this investigation, the CC has commissioned IFF Research, an independent market research agency, to undertake a programme of telephone interviews with Chief Financial Officers (or equivalent) and Audit Committee Chairs.

The purpose of the interview is to understand your experience and opinions of the audit process, and to give the CC a deeper understanding of the specific priorities and needs that large companies have when selecting an auditor.

Representatives from IFF Research will be conducting the telephone interviews throughout April until Friday May 11<sup>th</sup>, and I and the CC would greatly appreciate it if you would take part. The interview will last approximately 20 minutes, at a time convenient for you.

Please be assured that this is genuine research commissioned by the CC to help with our inquiry. No information that could link responses with details of you or your organisation will be passed back to us (the CC) or to anyone else without your permission. All research conducted by IFF Research complies with the Market Research Society Code of Conduct and the Data Protection Act. Further information about IFF can be found at [www.iffresearch.com](http://www.iffresearch.com).

If you have any questions about the research you can contact Peter Hall or Becky Duncan at IFF Research by calling 020 7250 3035 or by e-mail: [AuditMarketInquiry@iffresearch.com](mailto:AuditMarketInquiry@iffresearch.com). If you would like to speak to somebody at the CC for more information on the aims and objectives of the survey, you can contact Dipen Gadhia on 020 7271 0162.

I hope that you will take part in this important research study, and I thank you in advance for your co-operation.

Yours sincerely



Mark Bethell  
Inquiry Director

<sup>9</sup> [http://www.competition-commission.org.uk/assets/bispartners/competitioncommission/docs/2011/statutory-audit-services/statutory\\_audit\\_market\\_inquiry\\_terms\\_of\\_reference.pdf](http://www.competition-commission.org.uk/assets/bispartners/competitioncommission/docs/2011/statutory-audit-services/statutory_audit_market_inquiry_terms_of_reference.pdf). Please note that we are publishing details of our investigation on our website.



## Appendix B: Fieldwork questionnaire

7.1 This is the questionnaire that was used for the main fieldwork stage.

Private & Confidential	J5110
Statutory Audit Services	Telephone

## S Screener

ASK TELEPHONIST

S1 **Good morning / afternoon. Good morning / afternoon. My name is NAME and I'm calling on behalf of the Competition Commission from IFF Research. Please can I speak to [IF HASCON=1: [NAMED CONTACT]]? [IF HASCON=2: [IF FD SAMPLE: The Finance Director or Chief Financial Officer] [IF AC SAMPLE: The Audit Committee Chair]].**

**The Competition Commission is conducting an inquiry into the Statutory Audit Market.**

**As part of this inquiry we are talking to key financial decision makers at the largest UK companies and as such we're keen to speak to [IF HASCON=1: [NAMED CONTACT]] [IF HASCON=2: [IF FD SAMPLE: The Finance Director or Chief Financial Officer] [IF AC SAMPLE: The Audit Committee Chair]].**

SHOW IF AC SAMPLE:

**INTERVIEWER NOTE: The Audit Committee Chair is likely to be a non-executive director and not based at the site and may not be known by a receptionist.**

**If needed – seek to speak to the finance department or Company Secretary to gain contact details and/or a referral to the Audit Committee Chair.**

**ALTERNATIVE TEXT: Could you put me in touch with someone who is in contact with the Audit Chair or the PA or secretary who deals with non-exec directors?**

SHOW FOR ALL SAMPLE:

**IF NECESSARY: IFF Research is an independent agency working on behalf of the Competition Commission. We've sent [IF HASCON=1: [NAMED CONTACT]] a letter [IF HASCON=2: addressed to the [IF FD SAMPLE: Finance Director or Chief Financial Officer] [IF AC SAMPLE: Audit Committee Chair]] so they should be expecting our call.**

Transferred	1	CONTINUE
Hard appointment	2	MAKE APPOINTMENT
Soft Appointment	3	
Refusal	4	CLOSE
Refusal – company policy	5	
Refusal – Taken part in recent survey	6	
Nobody at site able to answer questions	7	



Not available in deadline	8	
Engaged	9	
Fax Line	10	
No reply / Answer phone	11	
Residential Number	12	
Dead line	13	
Company closed	14	



ASK ALL

S2 **Good morning / afternoon, my name is NAME, calling on behalf of the Competition Commission from IFF Research.**

**The Competition Commission is conducting an inquiry into the Statutory Audit Market. As you have a senior role in the audit process at one of the UK's largest companies, the Competition Commission would value your input into the inquiry.**

**IF NECESSARY: IFF Research is an independent agency working on behalf of the Competition Commission.**

**You should have received a letter regarding the study. Are you willing to take part in the survey, now, over the phone?**

**INTERVIEWER NOTE: THE LETTER PROVIDES BACKGROUND TO THE STUDY – THE INTERVIEW CAN BE CONDUCTED WITHOUT THE LETTER BEING RECEIVED.**

Continue	1	CONTINUE
Respondent would like letter sent/ re-sent	2	OFFER TO RESEND VIA EMAIL: COLLECT EMAIL ADDRESS IF NECESSARY
Referred to someone else at establishment	3	GO TO S2a
Hard appointment	4	MAKE APPOINTMENT
Soft appointment	5	
Refusal	6	THANK AND CLOSE
Refusal – company policy	7	
Refusal – taken part in recent survey	8	
Not available in deadline	9	

#### REASSURANCES TO USE IF NECESSARY

The interview will take around 20 minutes to complete.

Please note that all data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you to be identified.

If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call:

- **MRS: Market Research Society on 0500396999**
- **IFF: Peter Hall and Becky Duncan: 0207 250 3035**
- **Competition Commission: Dipen Gadhia 020 7271 0162 or Emily Chissell 020 7271 0218**

ASK IF REFERRAL (CODE 3 AT S2)

S2a **IF FD/ CFO SAMPLE: Can I check, would you say you are able to speak with knowledge and authority about [COMPANY]'s selection of and relationship with its statutory auditor?**  
**IF AUDIT CHAIR SAMPLE: Can I check, are you [COMPANY]'s Audit Committee Chair or a member of the Audit Committee?**



Yes	1	CONTINUE
No	2	SEEK REFERRAL
Don't know	3	SEEK REFERRAL

REFERRAL TEXT (CODES 2 OR 3 AT S2A)

IF FD/CFO SAMPLE: **Would you be able to refer me to someone within the organisation who would be able to discuss the selection of and relationship with your statutory auditor, ideally the Finance Director or Chief Financial Officer and not a member of the Audit Committee?**

IF AUDIT CHAIR SAMPLE: **Would you be able to refer me to the company's Audit Committee Chair or a member of the Audit Committee?**  
**DP RE-ROUTE BACK TO S2.**

ASK ALL

**Please note, this call may be recorded for quality or training purposes.**

S3 **Could you please confirm your role or job title at [COMPANY]?**

*DO NOT READ OUT SINGLE CODE*

Chief Financial Officer	1	SHOW ONLY IF CFO/FD INTERVIEW
Finance Director	2	
Group Financial Controller	3	
Financial Controller	4	
Group Financial Reporting Director	5	
Chief Accounting Officer	6	
Chair of Audit Committee	7	SHOW ONLY IF AUDIT CHAIR INTERVIEW
Member of Audit Committee	8	
Other (specify)	9	

ASK ALL

S4 **Does [COMPANY] have any subsidiaries?**

Yes	1	
No	2	



## A Your auditor

*Thank you for agreeing to take part.*

*IF S4=1: Before we start, I would just like to make you aware that, unless explicitly stated, all questions in this interview relate to [COMPANY]'s group statutory audit rather than the audit of any subsidiaries or related companies.*

*I'd like to start with some questions about the arrangements [COMPANY] has in place for its [S4=1: group] statutory audit.*

*IF AUDIT CHAIR: The questions in this interview refer to your role at [COMPANY], rather than any other company of which you are an officer.*

ASK ALL

### A1 Which firm of auditors does your company use for its audit?

*DO NOT READ OUT SINGLE CODE*

Baker Tilly	1	
BDO	2	
Deloitte	3	
Ernst & Young (EY)	4	
Grant Thornton	5	
Kingston Smith	6	
KPMG	7	
Mazars	8	
PKF	9	
PricewaterhouseCoopers (PwC)	10	
RSM Tenon Group	11	
Smith & Williamson	12	
Other (write in)	13	
Don't know	14	SEEK REFERRAL

REFERRAL TEXT (CODE 14 AT A1)



IF FD/CFO SAMPLE: **Would you be able to refer me to someone within the organisation who would be able to discuss the selection of and relationship with your statutory auditor, ideally the Finance Director or Chief Financial Officer and not a member of the Audit Committee?**

IF AUDIT CHAIR SAMPLE: **I'm sorry, I need to discuss the selection of and relationship with your statutory auditor. Would you be able to refer me to the company's Audit Committee Chair or a member of the Audit Committee?**  
**DP RE-ROUTE BACK TO S2.**

A2 **QUESTION DELETED**

ASK ALL

A2a **Which of the following non-audit services does [COMPANY] use [A1] for?**  
*READ OUT MULTI CODE*

Tax advice	1
Transaction advice (IF NEEDED: regarding mergers and acquisitions)	2
Consulting advice	3
Compliance advice (excluding tax advice)	4
Are there any other non-audit services for which you use [A1]? (please specify)	5
DO NOT READ OUT: None of these	6

A3 **QUESTION DELETED**

ASK ALL

A4 **For how many consecutive years has [A1], or one of their predecessors, performed the statutory audit for your company?**

**INTERVIEWER READ OUT: This refers to the audit firm generally, rather than certain teams or partners within the audit firm that may be subject to change.**



WRITE IN (YEARS):		RANGE: 0-100 CODE APPROPRIATE RANGE BELOW
Don't know	-1	PROMPT WITH RANGES AS NECESSARY AND CODE

*SINGLE CODE*

*PROGRAMMER NOTE: QUERY IF RANGE DOES NOT MATCH NUMERIC RESPONSE*

Under a year	1
1-2 years	2
3-5 years	3
6-10 years	4
11-20 years	5
Over 20 years	6
Don't know	7

A5 **QUESTION DELETED**

A6 **QUESTION DELETED**

ASK ALL

A7 **I would like to talk to you about the factors that you consider to be important in assessing the quality of the audit. How important are each of the following to you, on a scale of 1 to 5, where 1 is not at all important and 5 is very important.**

*READ OUT; SINGLE CODE FOR EACH; PROGRAMMER NOTE: ROTATE LIST*

Not at all  
important

Very  
important

N/A

DK



	Not at all important				Very important	N/A	DK
	1	2	3	4	5	6	7
Ability to detect mis-statements in your accounts	1	2	3	4	5	6	7
High degree of challenge by auditor	1	2	3	4	5	6	7
Reliability and usefulness of the audit report	1	2	3	4	5	6	7
Consistency of delivery worldwide	1	2	3	4	5	6	7
The efficiency of the audit process	1	2	3	4	5	6	7
Ability to offer value added services	1	2	3	4	5	6	7
The independence of the audit firm IF NECESSARY: This means the ability to give an objective and impartial view	1	2	3	4	5	6	7



## B Selecting an auditor

*I'd now like to move on to talk about the process [COMPANY] goes through when selecting an auditor.*

ASK ALL

**B1 Who would you say has the greatest influence over the decision to appoint or reappoint the statutory auditor?**

*READ OUT SINGLE CODE*

Chief Finance Officer or Finance Director	1
Audit Committee Chair	2
Audit Committee members	3
Wider management board members (including the CEO or MD)	4
Shareholders	5
(DO NOT READ OUT) No single person	6
Anybody else? (write in)	7
Don't know	8

**B2 QUESTION DELETED**



ASK ALL

- B3 **Earlier we talked about assessing audit quality. I would now like to talk to you specifically about factors that an organisation might look for when deciding whether to appoint or reappoint its statutory auditor. I would like you to tell me how important each of the following is to you, on a scale of 1 to 5, where 1 is not at all important and 5 is very important.**  
*READ OUT; SINGLE CODE FOR EACH; PROGRAMMER NOTE: ROTATE LIST*

	Not at all important		Very important			N/A	DK
Experience and knowledge of the engagement partner	1	2	3	4	5	6	7
Experience and knowledge of the engagement team	1	2	3	4	5	6	7
Sector-specific expertise or experience	1	2	3	4	5	6	7
Expertise in the supply of audit related services IF NECESSARY: e.g. reporting on regulatory returns and reviews of interim financial information	1	2	3	4	5	6	7
Strength of international network	1	2	3	4	5	6	7
Management preference for specific auditor	1	2	3	4	5	6	7
Previous and/or current relationship with audit firm	1	2	3	4	5	6	7
Reputation of audit firm with investors, corporate brokers, analysts or external advisers	1	2	3	4	5	6	7
Adverse comment against firm by regulator IF NECESSARY: For example, AIU (Audit Inspection Unit) reports, disciplinary proceedings and PCAOB (Public Company Accounting Oversight Board) reports	1	2	3	4	5	6	7
Price	1	2	3	4	5	6	7
Expertise in the supply of non-audit services	1	2	3	4	5	6	7
Good working relationships with the audit team	1	2	3	4	5	6	7
Good corporate fit	1	2	3	4	5	6	7



ASK ALL

B4 **How often does [COMPANY] carry out the following with respect to its audit and auditor?***READ OUT, SINGLE CODE FOR EACH*

	Every year	Every 2-3 years	Every 4-5 years	Less frequently than every 5 years	Never	DK
Post-audit review of quality and value of service provided – carried out internally or with the auditor	1	2	3	4	5	6
Benchmark or make formal comparisons with other audits	1	2	3	4	5	6
Have informal contact with other auditors outside a tender process	1	2	3	4	5	6
Negotiate audit fee	1	2	3	4	5	6
Request a formal proposal or presentation from the auditor before re-appointment	1	2	3	4	5	6
Do you or others in [COMPANY] undertake any other activity to ensure that your audit is of good quality and cost-efficient? Please do not include going out to tender, as we are going to come on to that topic shortly	(Please specify)					

B5 **QUESTION DELETED**

ASK IF MAKE COMPARISONS (B4\_2=1, 2, 3 OR 4)

B6 **You said that [COMPANY] benchmarks or formally compares its audit with other audits. What factors do you use in carrying out such benchmarking exercises?**

*RECORD VERBATIM*

WRITE IN

DON'T KNOW

B7 **QUESTION DELETED**

B8 **QUESTION DELETED**

ASK ALL

B9 **How many years ago did your company last go out to tender for statutory audit services?**

WRITE IN (YEARS):		RANGE: 0-100 CODE APPROPRIATE RANGE BELOW
Don't know	-1	PROMPT WITH RANGES AS NECESSARY AND CODE
Have never tendered for statutory audit services	-2	GO TO B17

*SINGLE CODE*

*PROGRAMMER NOTE: QUERY IF RANGE DOES NOT MATCH NUMERIC RESPONSE*

Last year	1	
Two years ago	2	
Three to five years ago	3	
Six to ten years ago	4	
More than 10 years ago	5	
Don't know	6	

B10 **QUESTION DELETED**

B11 **QUESTION DELETED**



IF TENDERED IN THE LAST FIVE YEARS (B9 RANGE=1-3)

B12 **You said that you have tendered for statutory audit services within the last five years. Which of the following auditors were invited to tender?**

*READ OUT CODE ALL THAT APPLY*

Baker Tilly	1	
BDO	2	
Deloitte	3	
Ernst & Young	4	
Grant Thornton	5	
Kingston Smith	6	
KPMG	7	
Mazars	8	
PKF	9	
PricewaterhouseCoopers (PwC)	10	
RSM Tenon Group	11	
Smith & Williamson	12	
Was any other auditor invited to tender? (write in)	13	
Don't know	14	

IF TENDERED IN THE LAST FIVE YEARS (B9 RANGE=1-3)

B13 **Why did you limit the tender exercise to these firms?**

*RECORD VERBATIM*

WRITE IN

DON'T KNOW

B14 **QUESTION DELETED**

B15 **QUESTION DELETED**

B16 **QUESTION DELETED**



ASK ALL THAT HAVE NOT TENDERED IN THE LAST 5 YEARS (B9 RANGE=4 OR 5 OR B9 = -2 NOT TENDERED)

B17 **You have told me that your company has not tendered its statutory audit in the last 5 years.**

**Why is this the case?**

*RECORD VERBATIM*

WRITE IN
----------

DON'T KNOW



## C Switching auditors

*I'd now like to ask you a few questions about [COMPANY]'s views of switching from one firm of auditors to another.*

IF SWITCHED AUDITORS IN LAST FIVE YEARS (A4 RANGE= 1, 2 OR 3)

- C1 **You say that [A1] have been your statutory auditors for five years or less. What were the principal factors in your decision to switch to [A1] from your previous firm of auditors?**  
*RECORD VERBATIM*

WRITE IN		
Company is young and [A1] is the first auditor it has had	1	SKIP TO C6

IF SWITCHED AUDITORS IN LAST FIVE YEARS (A4 RANGE= 1, 2 OR 3)

- C2 **Which firm was your previous statutory auditor?**  
*DO NOT READ OUT; SINGLE CODE*

Baker Tilly	1	
BDO	2	
Deloitte	3	
Ernst & Young (EY)	4	
Grant Thornton	5	
Kingston Smith	6	
KPMG	7	
Mazars	8	
PKF	9	
PricewaterhouseCoopers (PwC)	10	
RSM Tenon Group	11	
Smith & Williamson	12	
Other (write in)	13	
Don't know	14	



IF SWITCHED AUDITORS IN LAST FIVE YEARS (A4 RANGE= 1, 2 OR 3)

*I am now going to ask you about the impact on your company of switching auditor.*

*Please discount the effect of any changes in the circumstances of your company on the complexity and scope of the audit.*

**C3 What impact did switching auditors have on the audit price [A4 RANGE = 2 OR 3: in the first year after switching and in the following years]?**

*DO NOT READ OUT, SINGLE CODE ONLY PROMPT IF NECESSARY*

No material impact on the audit fee [A4 RANGE=2 OR 3: in first or following years]	1
The audit fee was <u>lower</u> [A4 RANGE=2 OR 3: in the first year and following years]	2
SHOW ONLY IF A4 RANGE=2 OR 3: The audit fee was <u>lower in the first year</u> and increased in following years but <u>remained lower</u> than before switching auditor	3
SHOW ONLY IF A4 RANGE=2 OR 3: The fee was <u>lower</u> in the first year but in following years was <u>higher than before</u> switching auditor	4
The audit fee was <u>higher</u> [A4 RANGE=2 OR 3 in the first and following years]	5
Other (write-in)	6
Don't know	7

IF SWITCHED AUDITORS IN LAST FIVE YEARS (A4 RANGE= 1, 2 OR 3)

**C4 What impact did switching auditors have on the audit quality [A4 RANGE= 2 OR 3: in the first year after switching and in the following years]?**

*DO NOT READ OUT, SINGLE CODE ONLY PROMPT IF NECESSARY*

No material impact on the audit quality [A4 RANGE=2 OR 3 in first or following years]	1
The audit quality was <u>better</u> [A4 RANGE=2 OR 3 in the first year and following years]	2
SHOW ONLY IF A4 RANGE=2 OR 3: The audit quality was <u>better in the first year</u> and decreased in following years but <u>remained better</u> than before switching auditor	3
SHOW ONLY IF A4 RANGE=2 OR 3: The quality was <u>better</u> in the first year but in following years was <u>worse than before</u> switching auditor	4
The audit quality was <u>worse</u> [A4 RANGE=2 OR 3 in the first and following years]	5
SHOW ONLY IF A4 RANGE=2 OR 3: The audit quality was <u>worse</u> in the first year but in following years was <u>better than before</u> switching auditor	6
Other (write-in)	7
Don't know	8

IF A CHANGE IN QUALITY (C4= 2-6)

C4a **Why do you say this?**  
*RECORD VERBATIM*

WRITE IN
----------

IF SWITCHED AUDITORS IN LAST FIVE YEARS (A4 RANGE= 1, 2 OR 3)

C5 **What impact did switching auditors have on internal costs? By internal costs I mean management or staff costs, or other operational costs.**

*DO NOT READ OUT. SINGLE CODE ONLY PROMPT IF NECESSARY*

No <u>material impact</u> on internal costs [A4 RANGE=2 OR 3: in first or following years]	1
Internal costs were <u>higher</u> [A4 RANGE=2 OR 3: in the first year and following years]	2
SHOW ONLY IF A4 RANGE=2 OR 3: Internal costs were <u>higher</u> in the first year and decreased in following years but <u>remained higher than before</u> switching auditor	3
SHOW ONLY IF A4 RANGE=2 OR 3: Internal costs were <u>higher</u> in the first year but in following years were <u>lower than before</u> switching auditor	4
Internal costs were <u>lower</u> [A4 RANGE=2 OR 3 in the first and following years]	5
Other (write-in)	6
Don't know	7



ASK ALL

C6 **I would now like to talk to you about triggers that might prompt you to seriously consider changing your company's current statutory auditor. Please rate on a scale of 1 to 5 where 1 is not at all likely and 5 is very likely.**

*READ OUT; SINGLE CODE FOR EACH; PROGRAMMER NOTE: ROTATE LIST*

	Not at all likely					Very likely	DK
A problematic working relationship between the auditor and management	1	2	3	4	5	6	
A disagreement with the auditor over an audit judgement or accounting treatment	1	2	3	4	5	6	
A substantial increase in the audit fee IF NECESSARY: By "substantial" I mean a 10-15% increase not related to a change in the complexity or scope of the audit	1	2	3	4	5	6	
If the auditor started auditing one of your company's main competitors	1	2	3	4	5	6	
Scandal in the UK or another country related to current auditor	1	2	3	4	5	6	
Rotation of the audit partner	1	2	3	4	5	6	
Being approached by another audit firm	1	2	3	4	5	6	
Pressure from shareholders, bankers, lawyers or analysts	1	2	3	4	5	6	
Change in ownership or location of your company, or change in the nature or scale of its activities	1	2	3	4	5	6	
Appointment of a new CFO, FD or audit chair	1	2	3	4	5	6	
The company moving in or out of the FTSE 350 listing	1	2	3	4	5	6	
Complacency of audit firm	1	2	3	4	5	6	
Disagreement or problem with provision of non-audit services	1	2	3	4	5	6	
Would there be any other trigger?	(Please specify)						



ASK ALL

C7 **In the last five years have you been approached – formally or informally – by an audit firm offering to audit your company?**

*CODE ALL THAT APPLY.*

**INTERVIEWER NOTE: If yes – probe for whether formally or informally (or both)**

**Formally means where a business meeting is set up**

**Informally could mean at a dinner/ conference/ on the golf course.**

Yes - Formally	1	
Yes - Informally	2	
No	3	
Don't know	4	

**ASK IF HAVE BEEN APPROACHED FORMALLY OR INFORMALLY (C7=1/2)**

C7a **Which firm or firms approached you?**

*DO NOT READ OUT; MULTI CODE*

**INTERVIEWER NOTE: BE SURE TO CLARIFY EXACTLY WHICH FIRMS THE RESPONDENT REFERS TO - E.G. IF THEY SAY 'ALL THE BIG FOUR' ASK THEM TO BE SPECIFIC.**

Baker Tilly	1	
BDO	2	
Deloitte	3	
Ernst & Young	4	
Grant Thornton	5	
Kingston Smith	6	
KPMG	7	
Mazars	8	
PKF	9	
PricewaterhouseCoopers (PwC)	10	
RSM Tenon Group	11	
Smith & Williamson	12	
Other (write in)	13	



Don't know	14	
------------	----	--

C7b **QUESTION DELETED**

C7c **QUESTION DELETED**

C8 **QUESTION DELETED**

- ASK ALL
- C9 **And if your current statutory auditor ceased trading unexpectedly, which firms would you formally consider?**  
**ADD IF NECESSARY: This question is purely hypothetical. It is being asked to all participants irrespective of their current auditor.**  
*DO NOT READ OUT; MULTI-CODE (SCRIPT TO EXCLUDE FIRM CODED AT A1)*

INTERVIEWER NOTE: BE SURE TO CLARIFY EXACTLY WHICH FIRMS THE RESPONDENT REFERS TO - E.G. IF THEY SAY 'ALL THE BIG FOUR' ASK THEM TO BE SPECIFIC.

Baker Tilly	1	
BDO	2	
Deloitte	3	
Ernst & Young	4	
Grant Thornton	5	
Kingston Smith	6	
KPMG	7	
Mazars	8	
PKF	9	
PricewaterhouseCoopers (PwC)	10	
RSM Tenon Group	11	
Smith & Williamson	12	
Other (write in)	13	
Don't know	14	

ASK IF WOULD ONLY CONSIDER BIG FOUR (NO CODE 1, 2, 5, 6, 8, 9, 11, 12 OR 13 AT C9 AND NO CODES 1, 2, 5, 6, 8, 9, 11, 12 OR 13 AT A1)

- C10 **You stated earlier that you would not formally consider any firms outside the “Big Four” of Deloitte, Ernst & Young, KPMG and PricewaterhouseCoopers (PwC). Why is this?**

*RECORD VERBATIM*

WRITE IN
----------

ASK IF WOULD ONLY CONSIDER BIG FOUR (NO CODE 1, 2, 5, 6, 8, 9, 11, 12 OR 13 AT C9 AND NO CODES 1, 2, 5, 6, 8, 9, 11, 12 OR 13 AT A1)

- C11 **Are there any factors which restrict your choice of firm within the Big Four, that is, factors which mean that you feel you are not able to engage certain Big Four firms?**

*DO NOT READ OUT. MULTI CODE*

The lack of certain sector expertise	1	
Weaknesses in the strength or coverage of the international network	2	
The fact that certain auditors provide audit services to competitors	3	
The fact that certain auditors provide other, non-audit services to competitors	4	
The fact that certain auditors provide [COMPANY] with other, non-audit services	5	
Other (please specify)	6	
None of these	7	
Don't know	8	

- C12 **REMOVED**



## D Background information

Finally, a few questions to help us classify your organisation for analysis and reporting purposes...

ASK ALL

D1 **Which of the following industry sectors most closely corresponds to your company's core area of business?**

*READ OUT SINGLE CODE*

Oil and gas <i>IF NECESSARY: This includes alternative and renewable energy</i>	1	
Basic materials <i>IF NECESSARY: This includes the manufacture of chemicals and paper, forestry and mining and extraction</i>	2	
Industrial <i>IF NECESSARY: This includes construction and the manufacture, transport and distribution of industrial goods</i>	3	
Consumer goods <i>IF NECESSARY: This includes the manufacture of, food, drink, personal and household goods</i>	4	
Health care <i>IF NECESSARY: This includes pharmaceuticals and biotechnology</i>	5	
Consumer services <i>IF NECESSARY: This includes retail, wholesale, media, travel and leisure</i>	6	
Telecommunications	7	
Utilities	8	
Financial	9	
Technology	10	
Or how would you describe your company's core area of business? (Specify)	11	



ASK ALL

D2 **Please indicate the listing status of [COMPANY] for the past 10 years***READ OUT, SINGLE CODE*

Publicly listed for 1-5 years	1	
Publicly listed for 6-10 years	2	
Private company that delisted in the past 1-5 years	3	
Private company that delisted 6-10 years ago	4	
Not listed in last 10 years	5	
DO NOT READ OUT: Don't know	6	

ASK IF LISTED AT SOME POINT IN THE PAST 10 YEARS (D2=1,2,3,4)

D3 **For the period in which [COMPANY] has been listed in the past 10 years, please indicate which of the following applies***READ OUT, SINGLE CODE*

In the FTSE 350 most or all of the time	1	
Started in FTSE 350 before moving out	2	
Started outside of the FTSE 350 before moving in	3	
Often move in and out of the FTSE 350	4	
Never been in the FTSE 350	5	
DO NOT READ OUT: Don't know	6	



ASK ALL

**D4 Approximately how many people work in your organisation globally?***READ OUT IF NECESSARY, SINGLE CODE*

Fewer than 250 employees	1	
250-499	2	
500-999	3	
1,000-4,999	4	
5,000-9,999	5	
10,000-24,999	6	
25,000-49,999	7	
50,000+	8	
DO NOT READ OUT: Don't know	9	

**D5 QUESTION DELETED**

ASK ALL

**D5a And what is your company's annual turnover?***READ OUT IF NECESSARY, SINGLE CODE*

Less than £25 million	1
£26 million - £250 million	2
£251 million - £999 million	3
£1 billion - £5 billion	4
£5 billion - £10 billion	5
More than £10 billion	6
Don't know	7



ASK ALL

D6 **QUESTION DELETED**

D7 **QUESTION DELETED**

ASK ALL

D8 **Please tell me the fee your organisation paid for its last statutory audit including audit related services)?**

**IF NEEDED: Please note that your responses are confidential and will be used for analysis purposes only.**

WRITE IN (£):		CODE APPROPRIATE RANGE BELOW
Don't know	-1	PROMPT WITH RANGES AS NECESSARY AND CODE
Refused	-2	GO TO D9 FILTER

£250,000 or less	1
More than £250,000 but no more than £500,000	2
More than £500,000 but no more than £1 million	3
More than £1 million but no more than £5 million	4
More than £5 million but no more than £10 million	5
More than £10 million	6
Don't know	7

IF D8 NOT REFUSED AND D8 RANGE NOT DON'T KNOW (D8 NOT -2 & D8RAN NOT\_7)

**D8a Approximately what percentage of this fee was accounted for by the audit of your company's activities outside the UK?**

**IF NECESSARY: This could include manufacturing activity outside the UK; the operation of non-UK subsidiaries; and/or non-UK distribution, sales or activities of the UK based company.**

**INTERVIEWER NOTE: If the company operates in any way outside the UK, we want to know the cost of auditing this non-UK activity AS A PERCENTAGE of their overall audit fee.**

WRITE IN (%):		RANGE: 0-100 CODE APPROPRIATE RANGE BELOW
Don't know	-1	PROMPT WITH RANGES AS NECESSARY AND CODE



*SINGLE CODE**PROGRAMMER NOTE: QUERY IF RANGE DOES NOT MATCH NUMERIC RESPONSE*

0%	1	
1% - 20%	2	
21% - 40%	3	
41% - 60%	4	
61% - 80%	5	
81% - 100%	6	
Don't know	7	

ASK IF AUDIT CHAIR (S3=7 OR 8)

D9 **Do you sit on or chair any audit committees at companies other than [COMPANY]?**

Yes	1	
No	2	

ASK IF ON OTHER AUDIT COMMITTEES (D9=1)

D10 **How many?***SINGLE CODE*

1 other	1	
2 others	2	
3 others	3	
4 others	4	
5 or more	5	
Don't know	6	



ASK ALL

D11 **Have you ever worked for any of the following firms, or their predecessors?***READ OUT MULTI CODE*

Baker Tilly	1	
BDO	2	
Deloitte	3	
Ernst & Young	4	
Grant Thornton	5	
Kingston Smith	6	
KPMG	7	
Mazars	8	
PKF	9	
PricewaterhouseCoopers (PwC)	10	
RSM Tenon Group	11	
Smith & Williamson	12	
DO NOT READ OUT: None of the above	13	

## E Wrap-up

*Before I go, a few questions about confidentiality and your willingness to be recontacted...*

ASK ALL

E1 **Are you willing for IFF Research to attribute your responses to your organisation?****IF NEEDED: Data collected will feed into a report published by the competition commission.**

Yes	1	
No	2	REASSURE AS TO CONFIDENTIALITY – RESPONSES WILL NOT BE ATTRIBUTED

ASK IF UNWILLING FOR RESPONSE TO BE ATTRIBUTED (E1=2)

E2 **In that case, are you willing for IFF Research to add your organisation's name to the list of organisations which participated in this survey? Your individual responses will remain confidential.**

Yes	1	
No	2	REASSURE AS TO CONFIDENTIALITY – ORGANISATION WILL NOT BE LISTED



ASK ALL

- E3 **We may carry out some follow up research on this or similar topics in the future. Would you be willing to be re-contacted by IFF Research, the Competition Commission, or another research company working for the Competition Commission, to help with this research?**

Yes	1	
No	2	

IF DO NOT HAVE CONTACT NAME FOR FIRM'S FINANCIAL DIRECTOR OR AUDIT COMMITTEE CHAIR (NEED\_FD=1 OR NEED\_AC=1)

- E4 **We'd also like to speak to [IF NEED\_FD=1: your CFO or Finance Director/ IF NEED\_AC=1: your firm's Audit Committee Chair]. Would you be able to give me their name and telephone number?**

WRITE IN NAME:	
WRITE IN TELEPHONE NUMBER:	
<b>Firm does not have an [NEED_FD=1: FD / NEED_AC=1: AC]</b>	-1
<b>Refused</b>	-2
Finally I would just like to confirm that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct. Thank you very much for your help today.	



## Appendix C: Interviewer briefing notes

## Client

Previously known as the Monopolies and Mergers Commission, the Competition Commission (CC) is an independent public body which helps to ensure healthy competition between companies in the UK. It conducts in-depth investigations into mergers.

## Background

The CC is currently investigating the supply of **statutory audit services** to large companies (including those listed on the FTSE 350 and AIM and some of the larger private companies).

A statutory audit must be carried out annually by a **regulated audit firm** and reports to shareholders of the company:

- whether the annual accounts show a “true and fair” view of the company’s financial activity and position;
- that the accounts comply with the Companies Act 2006; and
- whether the company is a “going concern” (i.e. not about enter liquidation).

The provision of audit services to large companies has been the subject of interest over a prolonged period. The eight principal firms that existed in the 1980s consolidated through a series of mergers to five firms. Then, in 2002, the collapse of Enron led to Arthur Andersen, its auditor, being sold to other large auditors. This consolidation has resulted in a sector comprising four major participants, collectively referred to as the ‘Big Four’:

- PwC;
- KPMG;
- Ernst & Young;
- Deloitte.

In 2010 the Big Four earned 99 per cent of the audit fees paid by FTSE 350 companies. This high level of concentration has led to concern about what might happen if one of the four companies ceased trading. Also, there is little evidence of competition within the Big Four – on average only 3-4% of FTSE 350 companies switch auditors annually and it has been estimated that only a quarter of companies tender every five years or more regularly

## Objectives

The CC has therefore commissioned the survey to obtain an overview of the audit process and to understand the relationship large companies have with their current auditor, including:

- Details of their business, including current/ past auditors;
- What defines a “good quality audit”;
- What they take into account when choosing the auditor;
- The process of choosing an auditor;
- Who is involved in the choice of auditor; and
- Why they might switch auditor and what might discourage them.



## Target respondent

We are seeking to speak to two types of respondent:

- Financial Director/ Chief Finance Officer;
- Chair of the Audit Committee (Audit Chair).

Companies that are subject to a statutory audit usually have an Audit Committee comprising non-executive directors. The role of this committee often includes making recommendations to the board of directors on the appointment of an auditor.

The vast majority of companies in our sample will have either a named FD/ CFO record or a named Audit Chair record. Some will have named records for both whilst a tiny proportion will have neither.

Where only one named record is available we will ask for the details of the other type of respondent at the end of the interview. For instance, if we only have the FD/CFO record we will ask for details of the Audit Chair at the end of the FD/ CFO interview.

Where no named records are available we will need to contact the switchboard and ask to be transferred to appropriate person, i.e. the FD/ CFO and/or the Audit Chair.

Please note that Audit Chairs are non-executive directors, i.e. they are not employees of the company in question, which means the switchboard may not be as aware of the Audit Chair's identity. This should not be an issue for FD/ CFOs as they are employees of the company.

## Project specifics

Key project data:

- Mainstage from 2 April until 4 May. Do book appointments from the beginning of April (until 4 May).
- B2B shift only: we can take appointments for before or after standard shift times (in the morning from 8am, in the evening until 9pm).
- Named contact in the first instance: the script has built-in checks to ensure we are speaking to the most appropriate person. Referrals can be taken to reach the right person.
- Not site specific: as above, we want to reach the most appropriate person. These are large companies and the person we're after may be at a different site.
- Mobile access: yes.
- Platform: Dimensions.
- Project Control: Hannah Chick.
- Research contacts: Peter Hall, Becky Duncan.

## Question specifics

### S2

Pre-notification letters have been sent to all contacts. If the letter has not been received or you've been referred to an alternative contact who would like to receive the letter, this can be done via the Dimensions Script.

Select S2\_2 and you will be brought to a screen that shows the respondent's email address, check if this is correct. If correct, press 'continue' and an email will be sent automatically to the specified



address. If the email field is blank or the address is incorrect, press 'edit' and type in the correct address and press 'save'. Then select continue and the email will be sent.

Then you can select NEXT as normal and you will return to S2 and can either carry on with the interview or arrange an appointment.

### S3

Please ensure that you read out the note that the call may be recorded.

### Intro to A1

Here, should the company be made up of subsidiary or related companies (based on the S4 response) we prompt the respondent to discuss the group statutory audit rather than one or more audits of the subsidiaries.

Subsidiary companies may be subject to individual audits but they will also be audited at an overall, group level. It is information about the group audit that we are interested in capturing.

Audit Committee Chairs can have a role at more than one firm. If you are speaking to an Audit Committee Chair, you will also prompt them here to refer to the named company ONLY.

### A2a

Most audit firms also offer non-audit services to their clients. These include tax advice, transaction advice (advice on doing deals such as mergers and acquisitions), consulting advice (strategic business consulting) and compliance advice (advice on regulatory issues but not including tax).

### A4

At this and other similar questions (B9, D6, D8, D8a), please enter a numeric response and then code the appropriate range. If the two do not match then the script will ask you to enter matching data – it will not let you continue until you do.

If the respondent does not know the exact response, please code 'Don't know' and then enter the appropriate range.

### B1

Please note that "No single person" should not be read out

### B9

"Going out to tender" is the formal process of inviting audit firms to bid to provide audit services

### B12

It is important to read out the full list

### C6b

An "audit judgement or accounting treatment" is how a particular transaction or asset/liability valuation is interpreted and therefore how it is accounted for or treated in the company's accounts.



C6c

This statement refers to an increase in the audit fee that is not related to a change in the service provided by the auditor, i.e. paying more for the same service.

C6f

The audit partner – the partner of the audit firm who takes responsibility for the audit – must be changed every five years

C7

By “formally” we mean where a business meeting is set up; “informally” could mean at a dinner/ conference/ on the golf course, in the pub or at any other private social occasion

C9

It is possible that respondents may think that CC has some inside information and that one of the major auditing firms is at risk of liquidation. This is not the case. We are simply asking a hypothetical question as to which firms they would consider using if their current auditor no longer existed.

D2

A “listed” company is publicly owned and has its shares traded on a stock exchange.

D4

We’re looking for the number of employees globally, not just in the UK

D5a

We’re looking for the turnover globally, not just in the UK

D8a

Here we’re asking about the cost of auditing any activity outside the UK: manufacturing, operation of subsidiaries, distribution, sales etc as a percentage of the overall audit fee.

D11

A number of these companies have been created through mergers, hence the need to ask about their predecessors. For example, PricewaterhouseCoopers (PwC) was formed from the merger of Coopers & Lybrand and Price Waterhouse.



## Appendix D: List of participants

The following list names companies that took part in the Inquiry. Only companies where a respondent gave permission for the company name to appear in such a list are shown here – a further 45 companies took part in the inquiry but did not give permission to be named.

3i Group	Atkins (WS)	BlueBay Asset Management
Abcam	Aurora Fashions	Body Shop International
Acteon	Aurum Mining	Bodycote
Advanced Medical Solutions Group	Autoclenz Holdings	Booker Group
Aegis Group	Aveva Group	Boot (Henry)
African Consolidated Resources	Avon Rubber	Borders and Southern Petroleum
Aga Foodservice Group	AWG	Bovis Homes Group
Aggreko	BAA	BP
All Leisure Group	Bae Systems	Brewin Dolphin Holdings
Alliance and Leicester	Balfour Beatty	BrightHouse
Alliance Boots	Barclays	British American Tobacco
Alliance Trust	Baring Emerging Europe	British Land Co
Amec	Barratt Developments	British Marine plc
Amlin	BBA Aviation	Brooks Macdonald Group
Anglesey Mining	Berkeley Group Holdings	Brown (N.) Group
Anglo American	Bernard Matthews Farms	Brunner Investment Trust
Anite	BG Group	BSS Group
Arriva	BGL Group	BTG
Ashley House	Bibby Line Group	Bunzl
Ashtead Group	Bibendum Wine	Cable & Wireless Communications
Associated British Foods	Biffa	Capita Group
Associated British Ports Holdings	Big Yellow Group	



Capital and Counties Properties	Crest Nicholson	Edwards
Capital and Regional	Creston	Electricity North West
Capital Shopping Centres Group	Croda International	Elektron Technology
Card Factory	Crown Crest Group	Elementis
Care UK	CSR	EnQuest
Carillion	Daejan Holdings	Enterprise
Carpetright	Daily Mail and General Trust (A Shs)	Enterprise Inns
Chamberlin	Dairy Crest Group	Epwin Group
Charles Taylor Consulting	Davis Service Group	eServGlobal
Chaucer Holdings	De La Rue	Essar Energy
Chemring Group	Debenhams	Euromoney Institutional Investors
Chesnara	Dechra Pharmaceuticals	European Metal Recycling
Chime Communications	Deo Petroleum	EWS Railway
Cineworld Group	Diageo	Exova
City Natural Res High Yield Tst	Dignity	Expro International Group
City Refrigeration Holdings	Diploma	Fiberweb
Civica	Dixons Retail	Filtrona
Clarkson	Dominos Pizza	Finsbury Growth and Income Trust
CLS Holdings	Drax Group	flybe
Colt Telecom Group	DSG International	Fortune Oil
Compass Group	Dunedin Enterprise Investment Trust	Freightliner Group
Computacenter	DX Group	Fresnillo
Corus Group	e2v technologies	Futura Medical
Costain Group	Eckoh	G4S
Cranswick	Edinburgh Investment Trust	Galliford Try



Genus	Hochschild Mining	ITE Group
GKN	Hogg Robinson Group	Ithaca Energy
Goldman Sachs Dynamic Opportunities	Home Retail Group	ITM Power
Goodwin	Homeserve	ITV
Graff	House of Fraser	Jardine Lloyd Thompson Group
Grainger	HSS Hire Service Group	JD Sports Fashion
Graphite Enterprise Trust	Hydro International	John Laing
Great Portland Estates	IG Group Holdings	Johnson Matthey
Greggs	IMI	Johnston Press
Halfords Group	Impax Environmental Markets	JPMorgan Indian Inv Trust
Halma	Imperial Tobacco Group	Judges Scientific
Hammerson	Inchcape	Jupiter Fund Management
Hansa Trust	Inchcape Shipping Services	Kelda Group
Hansteen Holdings	Inditherm	Kesa Electricals
Hargreaves Lansdown	Informa	Kewill
Harrods	Inmarsat	Kier Group
Hartwell	Innovation Group	Ladbrokes
Harvey Nash Group	Innovia Films	Laird Group
Harwoods	Interior Services Group	Law Debenture Corp
Hays Plc	International Consolidated Airlines Group	LMS Capital
Headlam Group		Logica
Henderson Group	International Personal Finance	London and Stamford Property
HG Capital Trust	International Power	London Capital Group Holdings
Hikma Pharmaceuticals	Interserve	London Mining
Hill and Smith Holdings	Invensys	
HMV Group	IP Group	



London Stock Exchange Group	Moneysupermarket.Com Group	Odeon and UCI Cinemas Group
Lonrho	Morgan Crucible Co	Old Mutual
Lookers	Morgan Sindall	Optos
Low and Bonar	Morrison (Wm) Supermarkets	Opus Energy
Lowland Investment Co	Morrison Utility Services	Oxford Biomedica
MandC Saatchi	Mothercare	Oxford Instruments
MandCo	Moto	Pacific Assets Trust
Marshalls	Mott MacDonald	Palmer and Harvey
Martin McColl	MRH (GB)	Panmure Gordon and Co.
Martin-Baker	Mucklow (A. and J.)Group	Paragon Group of Companies
Matchtech Group	NB Global Floating Rate Income Fund (GBP)	Park Group
Matra Petroleum	New Look	Partnership Life Assurance
McKay Securities	Newmark Security	Pennon Group
Meadow Foods	Next	Perform Group
Melrose Resources	Next Fifteen Communications	Perpetual Income and Growth Inv Tst
Menzies (John)	NG Bailey	Petropavlovsk
Merchants Trust	Noble Investments (UK)	Pets At Home
Metal and Waste Recycling	Norcros	Phoenix Group Holdings
Metric Property Investments	Norland Managed Services	Phoenix IT Group
Michael Page International	Northern Petroleum	Photonstar LED Group
Micheldever Group	Northgate	Polar Capital Holdings plc
Micro Focus International	Northumbrian Water Group	Premier Farnell
Midwich	Numis Corporation	Premier Foods
MITIE Group	OCS Group	Premier Oil
Mondi		



Pret A Manger	Rexam	Servicepower Technologies
Prezzo	Rightmove	Severfield-Rowen
Priory Group	Rio Tinto	Severn Trent
Proteome Sciences	RM	Shaftesbury
Provident Financial	Robert Walters	Share
Prudential	Robert Wiseman Dairies	Shearings
Psion	Rotork	Shire
Punch Taverns	Royal Bank of Scotland Group	Shop Direct Group
Pv Crystalox Solar	Royal Dutch Shell A	SIG
PZ Cussons	RSA Insurance Group	Sir Robert McAlpine
Quintain Estates and Development	Ruffer Investment Company	Smith and Nephew
QXL Ricardo	Rugby Estates	Soco International
R&R Ice Cream	Safestore Holdings	South East Water
Rank Group	Sage Group	Southern Water
Rathbone Brothers	Samworth Brothers	Specsavers
Raven Russia	Savile Group (now known as ITM Power)	Spirax-Sarco Engineering
REA Holdings	Savills	Spire Healthcare
Real Estate Opportunities	SCH Group	Spirent Communications
Reckitt Benckiser Group	Schroders N/V	Sports Direct International
Reed Elsevier	Scottish Investment Trust	SSE
Renewable Energy Generation	Securities Trust of Scotland	St.Ives
Renishaw	Seddon Group	St.James Place
Renold	Segro	St.Modwen Properties
Rentokil Initial	Senior	Stagecoach Group
Resolution		Standard Chartered
Restaurant Group		



Standard Life	Topps Tiles	Venture Production
Statpro Group	Towergate Partnership	Virgin Atlantic
Stemcor	Town Centre Securities	Viridian Group
Summit Corporation	Travelex	Vodafone Group
Sunrise Resources	Troy Income & Growth Trust	Vp
SVG Capital	TT Electronics	Warner Estate Holdings
SVM Global Fund	TUI Travel	Wates
TalkTalk Telecom Group	Tullett Prebon	Watson Petroleum
Tate and Lyle	Tullow Oil	Weir Group
Taylor Wimpey	UBC Media Group	Whitbread
Ted Baker	UK Coal	William Grant & Sons
Telecom Plus	UK Mail Group	William Hill
Telent	Ultra Electronics Holdings	Wilmington Group
Templeton Emerging Markets IT	Unilever	Wincanton
Tennants Consolidated	United Biscuits	Wolfson Microelectronics
Terrace Hill Group	United House Group	Wolverhampton and Dudley
The Denholm Group	United Utilities Group	WSP Group
The Garden Centre Group	United Wholesale (Scotland)	Xaar
The Swift Group	Utilico Emerging Mkts	Xtract Energy
The Vitec Group	UTV Media	Yell Group
Thomas Vale	Valiant Petroleum	Yule Catto and Co
Thorpe (FW)	Vatukoula Gold Mines	Zenergy Power

