



The Consultative Committee of Accountancy Bodies

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The Institute of Chartered Accountants of Scotland
The Institute of Chartered Accountants in Ireland
The Association of Chartered Certified Accountants
The Chartered Institute of Management Accountants
The Chartered Institute of Public Finance and Accountancy

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COMPREHENSIVE CONSULTATION NEEDED ON FRC FUNDING

The Consultative Committee of Accountancy Bodies (CCAB) today has responded to the ministerial statement on funding of the Financial Reporting Council (FRC) by urging a broad and comprehensive consultation on a new funding model that encompasses all those who benefit from the FRC's work.

Responding to the announcement from Trade and Consumer Affairs Minister Gareth Thomas MP that Government would only guarantee funding through to the end of 2008/9, Michael Izza, CCAB Secretary said:

"The Government has unilaterally decided to move away from the tripartite funding arrangements for the FRC which were put in place in 2003 when it accepted the recommendation from the independent Swift review¹ that *"the annual running costs of the independent regulator should be broadly shared by Government, business and the professional bodies"*.

"The consultation on a future FRC funding model needs to ensure that all those market participants who benefit from the regulatory oversight provided by the FRC – companies, investors as well as the accountancy profession - share the costs.

"For its part, the CCAB remains committed to working with the FRC and paying its appropriate share of FRC costs."

¹ Review of the regulatory regime of the accountancy profession – DTI, January 2003

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Notes to Editors:

1. CCAB comprises the six major accountancy bodies in the UK and Ireland:

The Institute of Chartered Accountants in England and Wales (ICAEW)

The Institute of Chartered Accountants of Scotland (ICAS)

The Institute of Chartered Accountants in Ireland (ICAI)

The Association of Chartered Certified Accountants (ACCA)

The Chartered Institute of Management Accountants (CIMA)

The Chartered Institute of Public Finance and Accountancy (CIPFA).

2. CCAB provides a forum for co-ordinating views on a wide range of issues of interest to the accountancy profession as a whole.