



# 2020 audit fees

Audit annual fees are made up of three parts:

- **Part 1 – audit registration fee.**
- **Part 2 – Financial Reporting Council (FRC) levy.**
- Part 3 – FRC Audit Quality Review team levy. Only payable by firms that have in-scope audit work. As this only applies to very few firms, it is not shown here. The relevant firms have been contacted separately.

There are no fee reductions for retired members or part-time practitioners.

### Part 1 – Audit registration fee

This is an annual fee charged to all ICAEW audit registered firms.

Firms that register with us between 1 October and 31 December will pay 50% of the registration fee for the first year.

### 2020 Audit registration fee scale

### Part 2 – Financial Reporting Council (FRC) levy

This relates to the costs of the FRC and is paid by all audit registered firms.

There are two parts.

- Part A – The FRC operations cost which is passed on to audit registered firms.
- Part B – The FRC conduct committee cost. If you are a sole practitioner you will not be charged this levy.

### 2020 FRC levy fee scale

### Fee rationale

Both part 1 and part 2 of the audit fee scales are determined by the following factors:

- The number of principals (including salaried principals) of the firm (whether resident or not) and employees who are responsible individuals; 'principal' is defined as a partner, director or sole practitioner.
- The number of offices and trading names. (Trading names used to sign audit reports will be treated as additional offices, even if the address from which they trade is the same as that of the main firm. For billing purposes, an office is any separate location of the firm mentioned on its letterhead).
- The number of public interest entities (PIEs)\*, other audits 'retained' by the FRC\*\* and other listed audits.\*\*\*

### **\*Public interest entities (PIEs)**

A public interest entity is as defined in the Statutory Audit and Third Country Auditor Regulations 2016 (SATCAR) and includes:

- An entity whose transferable securities are admitted to trading on a regulated market (ie, entities included on the 'official list'. For the UK this is the official list of the London Stock Exchange and in Ireland the official list of the Irish Stock Exchange. A credit institution is a bank or building society but not a credit union).
- A credit institution; and
- An insurance undertaking.

### **\*\*Other audits 'retained' by the FRC**

In the UK, the FRC has retained companies quoted on the Alternative Investment Market (AIM) or the Nex Exchange (other than the Main Board) which have a market capitalisation greater than €200m on the basis of end-year quotes for the previous three calendar years. It has also retained Lloyd's syndicates.

### **\*\*\*Other listed audits**

Audits of companies quoted on the Alternative Investment Market (AIM), the Nex Exchange and any other recognised investment exchange in the UK.

### **Overseas firms**

Registered firms not resident in the UK, the Channel Islands, the Isle of Man or the Republic of Ireland will be required to pay twice the appropriate fee shown in part 1 of the fee scale (the fee in part 2 is not doubled).

### **New applications**

Firms applying for audit registration during 2020 will be required to pay the full annual registration fee for which they are liable, as shown in the two tables, at the time of application. If the third element of the fee scale applies to an applicant, we will notify the firm when we receive the application.

A firm registered between 1 October 2020 and 31 December 2020 only pays 50% of the registration fee.

Applicants should enclose, with the completed application form, a cheque made payable to CHARTAC for the registration fee for which they are liable. If a firm's application is not accepted, the fee will be refunded.

### **Payment**

The audit registration fee is payable on 1 January 2020. Failure to pay may result in your firm's audit registration being withdrawn (see audit regulation 2.11). New applicants are required to pay when applying for their registration.

- **Direct debit payments** (UK bank account holders only). If you'd like to pay by direct debit, please scan your mandate and email it to [creditcontrol-psd@icaew.com](mailto:creditcontrol-psd@icaew.com). If you choose to pay by direct debit, we must receive your completed direct debit instruction and any billing amendments by 8 January 2020. The total payable will be debited from your account on 28 January 2020. If you have already authorised collection by direct debit, please check the

collection details on the invoice. If any of these details are incorrect, you will need to complete a new mandate.

- **Credit card payments.** If you would like to pay by credit card (Visa / Mastercard) or debit card (Delta / Maestro), please call +44 (0)1908 248 250. You will need to quote your ICAEW firm number.

If you have any invoice or payment queries, please contact us on +44 (0)1908 546 265 or email [creditcontrol-psd@icaew.com](mailto:creditcontrol-psd@icaew.com)

### **Trading names and other offices**

Trading names will be treated as additional offices, even if the address from which they trade is the same as that of the main firm. For billing purposes, an office is any separate location of the firm mentioned on its letterhead.

For billing purposes, ICAEW will disregard offices that are used only for meetings, at which no staff are located and no records are maintained (ie, 'market-day' offices). Trading names will also be disregarded if that trading name is not used in the signing of audit reports and is not used in a way to indicate it is a registered auditor.

### **Firm changes**

#### **Mergers – two or more firms merge and change the name of the resulting firm**

If firms merge, they will remain liable for any existing fees owed, but they will not have to pay a registration fee for the new firm in the calendar year of merger. This only applies if all the firms involved in the merger were previously registered. A new application form will be required from the new firm.

#### **Dissolution – firm dissolves to form new firm(s)**

If a firm dissolves and two or more firms are set up, all with new firm names, any firm wishing to be a registered auditor will have to pay a registration fee for the current year. Any existing fees owed by the original firm must be paid before any new registrations can be considered.

#### **Acquisition – one firm acquires another and keeps its current name**

A registered auditor that acquires another firm will have to pay any existing fees owed. It will not have to submit a new application form or pay a further fee, but must inform ICAEW of the acquisition.

#### **Hive-off – one or more principals leaves an existing firm to form new practices**

Any new firms have to submit a new application form and pay a registration fee.

#### **Change of legal form**

If a firm changes to a limited company or a limited liability partnership, no additional fee for the year will be required. This only applies if all the existing partners continue as partners or directors / shareholders in the new entity and no new partners or directors/shareholders are added. However, the firm must submit a new application form as it is a different legal entity that is now registered.

## Change of firm name

A change of firm name not arising from a merger (see above) will not affect the fee payable. However, ICAEW must be told in writing.

## Cessation and application to withdraw

If a firm's audit registration is withdrawn by order of the Audit Registration Committee, it remains liable for the full fee payable in the calendar year of withdrawal.

A firm that wishes to withdraw its audit registration must make a written request, setting out the reasons for withdrawal, to the ICAEW Professional Conduct Department (PCD). All outstanding fees and levies must still be paid, unless PCD receives notification before the end of January 2020.

## Effect of changes

The fee will be calculated on the basis of the information held about a firm at the time of issuing the invoice or when a firm applies to be registered. Changes which are notified subsequently may be taken into account if they lead to an increased registration fee.

## Support

ICAEW provides a number of services to support firms and members. These services are confidential and are separate from Professional Standards. Staff are not subject to the duty to report misconduct.

**Technical helpline** for guidance on independence and other ethical matters.

T +44 (0)1908 248 250, E [ethics@icaew.com](mailto:ethics@icaew.com)

**Support Members** are based in district society areas and provide a non-judgmental support service. Phone our helpline for details of your nearest support member.

T 0800 917 3526, E [support.members@icaew.com](mailto:support.members@icaew.com)

**Practice Advisory Services** give advice on most aspects of a firm's performance, including practice management control, organisation, marketing and profitability. They also provide services relating to compliance with the Audit Regulations, including cold file reviews.

T +44 (0)1908 248 250, E [practice.services@icaew.com](mailto:practice.services@icaew.com)

## Part 1 – Audit registration fee

Number of principals	Number of listed clients	Number of offices						
		1	2-3	4-5	6-10	11-20	21-40	41+
		£	£	£	£	£	£	£
<b>Sole</b>	nil	491	728	1,298	1,719	2,196		
	1-5	622	948	1,572	2,063	2,695		
	6 - 10	815	1,167	1,848	2,407	3,194		
<b>2-3</b>	nil	867	1,229	1,608	2,031	2,921		
	1-5	1,029	1,447	1,883	2,375	3,421		
	6-10	1,190	1,668	2,156	2,719	3,919		
	11-19	1,514	2,105	2,706	3,409	4,920		
	20-39	1,837	2,543	3,254	4,098	5,918		
	40-99	2,161	2,981	3,801	4,787	6,918		
<b>4-6</b>	nil	1,504	1,955	2,474	2,758	3,205	3,865	
	1- 5	2,205	2,872	3,704	4,128	4,934	5,867	
	6-10	2,941	4,050	4,937	5,504	6,580	7,822	
	11-19	3,308	4,557	5,555	6,193	7,401	8,801	
	20-39	3,676	5,062	6,172	6,880	8,224	9,778	
<b>7-10</b>	nil	2,536	2,979	3,655	4,903	6,846	9,047	
	1-5	3,860	4,443	5,556	7,465	10,901	13,947	
	6-10	4,326	5,104	6,588	9,132	13,714	17,774	
	11-19	5,612	6,257	8,112	11,291	17,020	22,095	
	20-39	6,352	7,737	9,963	13,779	20,653	26,743	
	40-99	8,184	9,218	11,815	16,266	24,286	31,392	
<b>11-20</b>	nil	3,655	4,307	6,092	7,564	9,865	12,987	
	1-5	6,217	8,614	11,860	14,305	16,748	20,366	
	6-10	11,339	15,041	17,553	19,778	22,897	24,447	
	11-19	13,797	16,684	19,592	22,285	24,919	29,984	
	20-39	16,256	19,266	21,631	24,792	26,939	35,522	
	40-99	17,924						
<b>21-50</b>	nil	5,645	6,182	7,870	8,906	12,692	16,580	
	1-5	12,090	13,499	15,531	16,925	20,018	22,487	
	6-10	18,676	20,018	22,016	24,447	28,538	31,416	
	11-19	20,678	22,506	25,003	28,366	32,593	35,836	
	20-39	22,680	24,994	27,989	32,287	36,647	40,255	
	40-99	28,718	33,615	36,110	39,869	45,689	52,135	

<b>51-100</b>	nil	8,485	9,291	12,692	13,652	16,580	20,559	28,287
	1-5	21,081	23,576	24,509	29,791	33,093	37,566	41,325
	6-10	24,414	26,657	30,931	35,432	41,072	42,019	
	11-19	26,406	32,489	36,475	43,548	47,781	50,089	
	20-39	28,397	38,321	42,019	51,664	54,489	58,159	
	40-99	42,888	45,689	49,321	54,283	65,796	73,264	
	100-149	49,350	51,466	54,132	55,783	68,389	75,733	
	150-199			70,911	81,566	92,139	103,113	
	200-299			103,423	122,352	139,042	155,196	
<b>101-250</b>	nil	11,899	12,844	13,652	16,325	19,418	23,294	30,457
	1-5	24,495	27,130	29,629	32,466	35,930	40,304	57,234
	6-10	28,936	33,862	38,418	42,673	47,359	53,796	74,417
	11-19		44,913	48,836	52,916	59,631	67,098	91,598
	20-39		53,055	55,551	58,312	74,710	83,597	108,781
	40-99			65,000	70,070	82,272	107,158	141,614
	100-149			93,974	105,828	119,525	137,968	165,915
	150-199				155,348	172,489	178,690	195,818
	200-299				180,609	195,905	212,226	232,574
	300-499				214,604	219,300	232,715	248,791
	500-599				236,078	241,233	255,979	273,668
<b>251-500</b>	nil	13,715	15,594	16,530	21,631	24,994	28,181	31,528
	1-5		31,008	35,432	40,204	46,086	50,729	59,490
	6-10		40,061	46,366	51,124	55,141	64,133	68,341
	11-19			63,403	65,947	70,911	76,538	93,421
	20-39				78,622	83,586	98,601	113,679
	40-99					114,562	128,656	153,111
	100-149					153,111	164,109	179,586
	150-199					177,464	195,828	212,711
	200-299					212,738	228,953	242,996
	300-499					248,677	264,100	282,454
	500-599					285,971	297,891	316,246
	600+					318,290	331,694	350,049
<b>501+</b>	nil	17,207	19,010	20,339	23,704	27,117	30,534	33,936
	1-5		34,845	40,728	44,551	52,327	57,968	65,796
	6-10		48,452	52,327	59,976	63,977	73,596	79,341
	11-19			71,307	81,910	85,939	92,156	109,037
	20-39				94,431	98,601	113,282	126,071
	40-99					133,529	149,133	164,865
	100-149					172,028	187,886	198,629

150-199	197,351	235,080	248,765
200-299	232,777	271,145	277,541
300-499	271,145	309,388	315,912
500-599	309,388	345,583	352,107
600+	345,583	381,651	388,301

## Part 2 – Financial Reporting Council (FRC) levy

Number of principals	Number of listed clients	Number of offices						
		1	2-3	4-5	6-10	11-20	21-40	41+
		£	£	£	£	£	£	£
<b>Sole</b>	nil	61	61	61	61	61	61	
	1-5	61	61	61	61	61	61	
	6-10	61	61	61	61	61	61	
<b>2-3</b>	nil	179	263	353	465	649	864	
	1-5	233	319	412	540	743	1,004	
	6-10	319	417	517	623	869	1,169	
	11-19	407	513	625	737	992	1,440	
	20-39	493	609	730	852	1,116	1,624	
	40-99	582	706	836	965	1,240	1,749	
<b>4-6</b>	nil	354	471	593	675	791	938	
	1-5	796	1,025	1,274	1,405	1,653	1,958	
	6-10	1,077	1,355	1,649	1,804	2,088	2,472	
	11-19	1,356	1,685	2,026	2,204	2,525	2,986	
	20-39	1,637	2,016	2,401	2,602	2,961	3,499	
<b>7-10</b>	Nil	831	1,004	1,212	1,627	2,251	2,995	
	1-5	1,649	1,925	2,444	3,284	4,671	6,063	
	6-10	1,930	2,256	2,820	3,683	5,107	6,577	
	11-19	2,209	2,586	3,196	4,080	5,543	7,091	
	20-39	2,490	2,915	3,571	4,480	5,978	7,603	
	40-99	2,769	3,246	3,947	4,879	6,414	8,118	
<b>11-20</b>	Nil	1,799	2,165	3,094	3,820	4,819	6,323	
	1-5	5,373	5,795	6,045	7,414	8,595	10,993	
	6-10	7,082	7,546	8,128	9,291	10,882	13,050	
	11-19	8,031	8,693	9,601	11,185	13,431	16,336	
	20-39	8,446	9,334	10,469	12,297	14,934	18,232	
	40-99	8,861	9,973	11,339	13,408	16,439	20,129	

21-50	nil	3,755	4,189	5,414	6,200	8,736	11,150	
	1-5	8,419	9,336	10,697	11,687	13,804	15,253	
	6-10	12,963	13,875	15,020	16,618	19,349	21,326	
	11-19	14,108	15,401	17,068	19,159	22,078	24,243	
	20-39	15,253	16,925	19,115	21,701	24,807	27,158	
	40-99	19,349	22,685	24,431	26,926	31,165	35,198	
	51-100	nil	8,828	9,758	13,263	14,210	17,362	21,451
1-5		22,062	24,605	25,561	31,149	34,519	39,201	43,145
6-10		26,610	27,789	32,114	36,971	42,878	43,835	
11-19		28,129	33,902	37,975	44,932	50,587	52,247	
20-39		29,648	40,018	43,835	52,893	58,296	60,657	
50-99		45,949	48,913	52,788	58,244	70,568	78,369	
100-149		55,081	64,880	76,312	87,641	103,375	115,196	
150-199				103,904	122,232	140,175	156,377	
200-299				145,101	166,780	183,625	203,367	
101-250	Nil	19,572	21,126	22,390	26,756	32,001	38,265	44,776
	1-5	40,386	43,547	50,975	58,427	61,256	72,436	82,285
	6-10		59,111	66,656	73,517	82,840	88,295	100,127
	11-19		76,290	80,522	92,934	105,796	114,298	131,263
	20-39			91,981	100,143	120,069	149,838	179,075
	40-99			114,092	125,127	150,606	187,284	206,131
	100-149			136,204	150,112	181,141	224,729	233,188
	150-199			161,082	188,441	236,669	264,101	273,004
	200-299				241,951	279,130	311,085	322,153
	300-499				297,262	323,356	349,958	395,960
	500-599				531,126	536,987	565,651	601,174
251-500	Nil	23,111	26,271	27,856	36,174	41,854	47,277	52,017
	1-5		52,017	59,596	67,511	77,384	85,015	99,898
	6-10		67,221	77,711	85,663	92,593	107,533	128,306
	11-19			106,261	110,678	118,937	128,453	156,711
	20-39				131,922	140,184	165,534	190,647
	40-99					192,211	215,695	256,650
	100-149					256,908	275,323	301,339
	150-199					297,537	328,596	356,605
	200-299					356,590	389,976	407,379
	300-499					624,326	657,820	699,273
	500-599					686,755	723,598	769,200
	600+					948,625	986,622	1,074,016



501+	Nil	51,204	56,631	60,575	70,676	80,874	90,898	100,900
	1-5		103,741	121,448	132,718	155,906	172,642	195,408
	6-10		143,954	155,531	178,324	190,214	218,528	235,849
	11-19			212,038	243,543	255,445	273,799	323,953
	20-39				280,550	293,042	336,738	374,691
	40-99					395,654	442,726	489,799
	100-149					510,164	557,887	589,863
	150-199					586,069	697,206	739,250
	200-299					690,933	805,089	825,163
	300-499					805,089	919,007	939,080
	500-599					919,007	1,027,890	1,046,369
	600+					1,029,312	1,136,791	1,153,713

### Important to note

- Failure to pay before the stated deadline may result in your firm's licence being withdrawn.
- View our terms and conditions for the payment of regulatory fees at [icaew.com/regulatorytcs](https://icaew.com/regulatorytcs)
- For more information about fees please visit [icaew.com/regulatoryfees](https://icaew.com/regulatoryfees)