

Sarasin & Partners LLP submission to CMA market study on Audit

November 2018

Headlines

Clarity on the purpose of audit is necessary before the CMA explores structural remedies

To avoid wasted effort and potentially ill-designed remedies, we would urge the CMA to expand its investigation to include an assessment of the purpose of audit. We need to have clarity over the purpose of audit to be able to determine whether there has been consumer harm, and what form this takes. Likewise, it makes little sense to increase competition in the audit market if we do not first define what the competition is there to achieve; what does a good quality audit look like?

In our view, the audit market is failing consumers/the public precisely because there is confusion over the purpose of audit. Put simply, auditors are providing the wrong (or only a partial) service by focusing on checking whether companies are complying with accounting standards. Their core function should be assessing whether capital is being properly protected. This needs attention before we consider how best to structure the market.

A core purpose of the audits is to support capital protection

The UK's Companies Act 2006 is clear that audited accounts are vital in the implementation and enforcement of the capital maintenance regime (Part 23). This makes sense. To know that capital is protected, shareholders (and creditors) need to know what the capital is. The accounts need to be prudently calculated and independently audited to avoid a situation where dividends are paid out of capital, illegal under company law. This underpins trust in markets.

Consequently, it should be self-evident that a core purpose of audits is to verify that accounts provide a reliable and prudent view of capital and performance in line with the UK's capital maintenance regime (Part 23, Companies Act 2006).

The problem is that accounting standards (International Financial Reporting Standards - IFRS) are not intended to support capital protection. Consequently, the numbers presented under IFRS do not provide that critical reassurance (specifically, IFRS numbers do not make clear whether profit has been realised in cash or near cash, or what the company's distributable reserves are). As long as auditors see their job as merely checking the implementation of IFRS (which appears to be the case today), and do not undertake checks for capital maintenance purposes, they are not fulfilling a core purpose under Company Law. This opens the door to companies being able to hide capital weakness. Arguably, company failures like Carillion would be far less likely if the accounting system was geared towards capital protection as intended under company law.

Suggested actions for the CMA

To address the concerns above, the CMA should clarify the purpose of audit, or recommend that the Government do so as a matter of urgency. Specifically, the following points need to be addressed:

- Clarify the legal and regulatory framework linked to the capital maintenance regime (Part 23 CA06) and how accounts and audit underpin its implementation.
- Require that the Government review and replace the current industry (ICAEW TECH 02/17BL) Guidance for calculating distributable reserves to ensure it is consistent with the Companies Act.

- Require that companies publish their undistributable and distributable reserves, alongside distributable profits, in their audited accounts. This should be done for the parent company as well as group accounts.

Accountability to shareholders: Auditors and Audit Committee directors

With clarity over the purpose of audit, the CMA should turn its attention to ensuring auditors are accountable to shareholders, the ultimate client. This requires far greater transparency in the following areas:

- Distributable and non-distributable capital and profits – as per point above.
- Publication of company-specific Audit Quality Reviews undertaken by the regulator.
- A requirement for more detailed graduated audits, which set out the key accounting judgements, the auditor's assessment of these judgments and sensitivity analysis around these assumptions.

Also, the CMA should recommend more regular interaction between shareholders and the Audit Committee and auditor by clarifying the framework for these exchanges, which is in line with rules around market manipulation and material non-public information.

Reducing conflicts of interest and promoting competition

As already emphasised, increasing competition must be considered as a means to improving audit quality, not an end in itself. Therefore, we do not believe measures to break up the Big Four will help unless the CMA first clarifies the auditors' duty to underpin capital protection. Eight firms competing for management favour is unlikely to be much better than four audit firms competing for management favour.

That said, once the auditors' job is made clear, then we would favour regulatory action that minimises (and ideally eliminates) conflicts of interest that emerge where an audit firm undertakes non-audit work. At the minimum, we believe there needs to be a ban on audit firms providing non-audit services to their audit clients with a minimum three-year cooling-off period following the end of an audit relationship before non-audit services can be offered.

A structural separation, and thus the creation of pure audit firms, would arguably be better by eliminating the perverse incentive introduced where a company is trying to both hold executives to account while also pitching for their business. An advantage of pure audit would be an immediate increase in the number of firms competing for audit business (since none would be ruled out on conflict grounds).

1. Introduction

Sarasin and Partners is a London-based investment manager serving charities, private clients and other institutions. Our goal is to deliver sustained investment returns through an active long-term investment approach, which emphasises stewardship.

We have been a longstanding advocate for reform of the audit market in the UK. We therefore welcome the CMA's review and the invitation to comment.

We believe that there are pervasive flaws in the UK's accounting and audit system, stemming primarily from their detachment from the capital maintenance regime set out in the Companies Act. This constitutes a set of protections for investors including rules around dividend payments and related disclosures, and is at the heart of the purpose of accounts and thus audit. Fundamentally, it is what underpins market confidence, the limited liability corporate system, and ultimately market stability and economic growth.

The competitive dynamics of the audit market certainly play a role in perpetuating a flawed accounting system. For example, in our view the Big Four's market power has permitted it to more effectively capture the regulatory apparatus, such as the UK Financial Reporting Council (FRC) and the International Auditing and Assurance Standards Board (IAASB).¹

However, without a more fundamental assertion of the purpose of audit and thus what the ultimate objective of competition should be, we can foresee the same issues arising with a "Big Six", or even audit-only firms. The appropriate starting point for a review of the statutory audit market is therefore the first theme outlined in the CMA's 'Invitation to comment': the scope and purpose of audit.

2. Scope and purpose of audit

As noted above, there is little sense in evaluating competition in the audit market without first defining what this competition is intended to deliver for customers and the public (and thus whether there has been consumer harm). Competition is a means to an end, not an end in itself. Having, say, eight companies rather than four competing over the wrong thing, will not help address the fundamental market failure.

This is particularly critical for the audit market, since the key players – the audit firms and the regulator (the FRC) – appear to have lost sight of the most important statutory purpose of accounts and audits: enforcing the UK's capital maintenance regime. We, therefore, urge the CMA to reframe its market study to include "theme 1" on scope and purpose, so it is in a position to evaluate whether the audit market delivering on this purpose, and what remedies might be required.

The primary purpose of audits is to underpin and enforce the capital maintenance regime

The primary purpose of statutory audited accounts in the UK is to provide a basis for meeting requirements set out in the Companies Act capital maintenance regime (Part 23). Trust that capital and performance are not overstated underpins trust in financial markets. Providers of equity capital know that they are putting capital into businesses that are generating economic value from which

¹ See Sarasin & Partners' response to the Independent Review of the FRC <http://www.sarasinandpartners.com/docs/default-source/esg/sarasin-and-partners-response-to-independent-review-of-the-frc.pdf?sfvrsn=2>; also see our position paper, 'Investors require a robustly independent audit regulator', October 2017. <http://www.sarasinandpartners.com/docs/default-source/esg/position-paper---investors-require-a-robustly-independent-audit-regulator-oct-2017.pdf?sfvrsn=4>; see Sarasin & Partners' response to the Monitoring Group consultation on the governance of international auditing standards.

dividends are paid, and the capital is not itself used to finance distributions (this would result in something more akin to a Ponzi scheme). This has been a long-standing and central part of our Company Law, and is widely acknowledged, including by the audit profession and the FRC.²

Audited accounts do not provide evidence of capital protection

The problem is that, over time, Part 23 of the Companies Act has faded from view, and the audit profession and others have focused instead on Part 15, which sets out specific additional accounting requirements.

Yet the accounting requirements have historically been linked to, and supportive of, the capital maintenance regime. The requirement that accounts provide a “True and Fair View” (Part 15, Chapter 4, Section 393, CA06) is, in our view, statutory shorthand for accounts that deliver on the capital maintenance requirements; namely accounts that provide a prudent view of capital and performance to support long-term stewardship. This connection is made clear in Bompas QC’s legal opinions published in 2013 and 2015.³ It also makes sense. If accounts are not providing a route for capital protection, how is it being enforced?

“True and fair view” accounting standard has been watered down to fit with IFRS

However, as the capital maintenance regime has been side-lined, we have seen a watering down and redefinition of the true and fair view requirement. This has happened at the same time as the UK has moved towards an international accounting standards system (IFRS), which has no link the national company law frameworks and does not identify capital maintenance as a goal.

The purpose of IFRS accounts is a more nebulous goal of being “useful for users” (see IASB Conceptual Framework). The emphasis is on “neutrality” over prudence (the latter is key for protecting capital, and thus a central accounting principal under the Companies Act) and “relevance” over “reliability”. There is no requirement under IFRS for disclosure of that part of profit which has been realised and thus distributable.

Worryingly, over the years the audit profession has publicly lobbied for the Companies Act to be “updated” in line with IFRS, rather than warning of the dangers of IFRS not meeting the capital maintenance provisions in law.⁴

The FRC has effectively ‘rubber stamped’ the re-definition of the statutory “true and fair” requirement as a general notion, consistent with the IFRS concept of “fair presentation”. According to the FRC’s most recent publication on the topic, “fair presentation under IFRS is equivalent to a true and fair view”.⁵ By equating the two, the FRC has given the green light to a system in which compliance with the standards is – in almost all cases – sufficient to meet the legal requirement.⁶ In

² The ICAEW, for instance, provides guidance on calculating realised and distributable profits under Part 23 on the Companies Act (TECH 02/17BL); KPMG Feasibility Study on Capital Maintenance, ‘Contract ETD/2006/IM/F2/71’, 2008.

³ See attached Opinions by George Bompas QC (2013 and 2015) on the meaning of “true and fair view” and, specifically, its long-standing link to the capital maintenance regime requirements in the Companies Act 2006.

⁴ See attachments from the Accounting Standards Board (2005 – see para 10 and 11) and more recently the ICAEW arguing for the law to be ‘updated’ in line with IFRS, thereby acknowledging the fact that IFRS fails to meet the legal standard.

⁵FRC, “True and Fair”, June 2014.

⁶ Although the FRC’s paper states that meeting the true and fair requirement is not a matter of mechanical compliance with standards, they go on to emphasise that following accounting standards will “in the vast majority of cases” present a true and fair view (p. 3). Critically, nowhere in the paper does the FRC define what

his analysis of the legal meaning of true and fair view, Bompas QC (2015) described the FRC's logic as "defective".

The upshot of this watering down of the true and fair requirement has been that most auditors assume that as long as financial statements have been prepared in accordance with prevailing accounting standards (the first opinion provided by auditors), then the true and fair standard will have been met. In evidence given by PwC to the Irish banking inquiry in 2015, a PwC audit partner stated that, in relation to its audit of the failed Bank of Ireland:

"if you did not apply the incurred loss approach, you could not say the financial statements gave a true and fair view. If you did comply the incurred loss approach [sic], then you could give such a view".⁷

The practice of equating compliance with IFRS with meeting the statutory true and fair standard is a serious matter. The audit has evolved into a "tick-box" model of checking compliance with IFRS, rather than applying judgement to determine whether or not capital and performance has been overstated.⁸

FRC guidance that there is no legal requirement to publish distributable reserves is flawed

Linked to this, the FRC (and the ICAEW) officially guide that calculations of non-distributable profits and reserves linked to Part 23 need not be disclosed to shareholders. In the October 2016 FRC letter to Audit Committees, for instance, Stephen Haddrill, Chief Executive, states:

"Our position remains that we encourage good disclosure ...whilst noting that the Companies Act 2006 does not require the separate disclosure of a figure for distributable profits or, specifically, multiple figures for distributable profits."

Consequently, these numbers are largely kept secret, and disclosures that are made are rarely in the actual accounts, and only provided at parent company level. This effectively means there is no obvious mechanism for ensuring the UK's capital maintenance regime is being enforced. It also suggests that companies are keeping two sets of books, something we have understood to be prohibited.

ISA 250 requires that auditors check laws are followed

Given the lack of disclosure, we have sought reassurance from the FRC as to how the Capital Maintenance rules are being enforced. They have pointed us to International Standards on Auditing (ISA) 250, which requires that:

"The auditor shall obtain sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations generally recognized to have a direct effect on the determination of material amounts and disclosures in the financial statements." (Paragraph 13).

true and fair is, and therefore under what circumstances companies would be required to depart from the standards. The goal for the accounts is not defined, and capital protection is never mentioned.

⁷ Financial Times, 'A return to prudence: how to restore faith in accounting', 29 August 2018:

<https://www.ft.com/content/de183f62-a9fb-11e8-89a1-e5de165fa619>

⁸ See Sarasin & Partners' position paper, 'Investors need to know whether profits and capital are real', May 2017. <http://www.sarasinandpartners.com/docs/default-source/esg/position-paper---investors-must-know-what-is-real-11-may-2017.pdf?sfvrsn=2>

The FRC has added to this standard (paragraph A8), *"In the UK, these laws and regulations include [...] those which determine the circumstances under which the company is prohibited from making a distribution except out of profits available for the purpose."*

This is certainly helpful, though we are not aware of any instance of an auditor flagging a company's failure to properly calculate the distributable reserves to shareholders even where companies have self-reported illegal dividends in recent years, e.g. Domino's Pizza and Next. Also, we believe there are flaws with how the calculation is being done, which we turn to below.

Calculations of distributable reserves are potentially flawed

The primary guidance for calculating distributable reserves from IFRS numbers is provided by the ICAEW Guidance TECH 02/17BL.⁹ The FRC points companies to this Guidance when reminding them of their duties under Part 23 of the Companies Act.¹⁰

Aside from the fact that this calculation is being done in secret, the Guidance (which has never been officially approved by the Government) raises some serious concerns. In particular, the Guidance suggests that accrued income can be treated as realised (see para 3.11 (d)) as long as there is "reasonable certainty that the debtor will be capable of settling...". Clearly, this introduces the possibility of overstating profits, and opens the door to possible distributions out of capital.

Accruing income for IFRS purposes is quite different to treating income as distributable for capital protection purposes. If the ICAEW Guidance is the basis on which directors and auditors are verifying whether distributions are legal, we should not be surprised to see problems of excessive (and potentially illegal) distributions at companies that depend heavily on accrued income, e.g. from long-term contracts. The problems at Carillion could well stem, at least in part, from this issue. It is legitimate to ask whether we might have a more systemic problem of companies paying dividends out of unrealised (in cash or near cash) accumulated profits.

Perhaps most worrying in this regard are the banks, where a large proportion of reported profit likely comes from unrealised mark-to-market gains on the trading book. Should these profits be treated as realised under the Companies Act? Have they underpinned dividend payments?

A core purpose of audit has been forgotten

In essence, we believe there is an enforcement gap in the UK's capital maintenance regime, and this has emerged because audited accounts are failing to provide a clear view of distributable profits and reserves. The audit market appears to be failing to fulfil one of their central functions. The consequences of these developments are serious, and may help to explain recent corporate failures. The CMA needs to review this question before determining what structural changes are required in the market.

Suggested actions

The CMA must address the question of the purpose of audit, in order to determine what action (in terms of increasing competition) should be taken to ensure audits deliver for the public interest. Specifically, the CMA should:

- Clarify how accounts and audit underpin the UK's capital maintenance regime (Part 23 CA06).

⁹ ICAEW Technical Release, "Guidance on realised and distributable profits under the Companies Act 2006", April 2017.

¹⁰ See for instance FRC Lab "Disclosure of dividends – policy and practice", November 2015.

- Require that the government replace the current industry (ICAEW) Guidance for calculating distributable reserves with properly scrutinised government guidance that is consistent with the Companies Act capital maintenance regime.
- Require that companies publish their undistributable and distributable reserves, alongside distributable profits, to shareholders. This should be done for the parent company as well as group accounts.

3. Incentives: accountability to shareholders

In the end, auditors must be accountable to long-term shareholders, rather than to company management. At present, this accountability is weak, due to a range of market failures which mean that shareholders rarely vote against auditor reappointment.

First, shareholders (and their agents, asset managers) have failed to take sufficient interest in audit. This is evidenced by investors' voting practices. A study of UK Annual General Meetings this year found that auditors were reappointed with an average level of support between 97.6% and 99.5%.¹¹ This is perhaps surprising given the FRC's conclusion that 27% of FTSE 350 audits it inspected required more than limited improvements.

There are likely several reasons for the lack of scrutiny by investors. Short-termism and the lack of an ownership mind-set amongst most asset managers is one likely reason. Another is that investors have tended to trust boards to apply the appropriate level of oversight, and unless evidence emerges to suggest audits have failed, they have assumed everything is working well. Finally, investors have little insight into audit quality, so have limited information around which to challenge auditors.

Given the various problems in the market, a number of steps may be needed. Above all, shareholders require more transparency around the quality of their audits. We suggest some options below.

Publish Company-specific Audit Quality Reviews

One mechanism for providing investors with meaningful indicators of audit quality is to make public the results of the FRC's company-specific Audit Quality Review findings. Currently, the FRC publishes a list of company audits which it has inspected for the AQR, alongside an overarching report on its findings for each audit firm. Investors can attempt to read across from comments about an audit firm's performance on particular issues or sectors to the underlying companies, but the FRC should make this link explicit. It would provide shareholders with meaningful insights into the quality of specific audits, and thereby enable them to hold their auditors to account. It would also support engagement with audit committees. This proposal should be reasonably straightforward to implement.

Require graduated audits

The binary pass-fail audit opinion provides minimal visibility of the large number of judgements and assessments that go into an audit. Shareholders should have greater transparency of what these key judgements are, how the auditor determined their approval, and any sensitivity to different assumptions that could be useful. In essence, we would envisage this being an enhancement to the

¹¹ <http://www.cityam.com/267124/audit-re-appointments-waved-through-shareholders-despite>

extended auditor report, and consider KPMG's 2013 Rolls-Royce extended auditor report as a useful first step.¹²

We believe this needs to be required by the regulator (as opposed to being left up to auditors) due to pressures on auditors not to "air companies' dirty linen" in public.

Guidance on dialogues between investors and auditors

Another proposal which would support a shift in accountability is a clear framework to guide interactions between auditors and the shareholders to address concerns over falling foul of laws on the disclosure of material non-public information. Such discussions can usefully focus on areas of investor concern in relation to the company's accounting policies, or an explanation of how the auditor approaches audit design and particular areas of judgement.

We have sought to interact with the auditors of companies in which we invest on a number of occasions. In general, our experience has been frustrating. Often, auditors do not wish to speak with us since they have concerns that the rules around non-public market information prohibit communication. In other cases, they have suggested this is not possible without management consent, suggesting the primary accountability is to management not shareholders. In one instance where we had raised concerns about specific features of a company's financial statements, we were surprised that the auditor shared details of our discussion with management. Although we had already raised these issues with management ourselves, this seemed to demonstrate a lack of independence and consideration of investors as the auditor's ultimate client.

We are aware of a more positive example where an auditor has been permitted to meet with shareholders alongside the audit committee chair, in order to discuss aspects of the audit and its approach. This provides a model which could be formalised through the UK Corporate Governance Code or Listing Rules, for example.

4. Breaking the link between auditors and company management

Alongside measures to increase accountability to shareholders (above), we believe further steps are needed to weaken the ties between auditors and executives.

Executives barred from involvement in audit tender oversight

Specifically, we believe that executives should be prohibited from involvement in the audit tendering decision-making process. Too often, the CFO and their team are actively involved in the tender process, and audit committees' decisions on appointments place excessive weight on the dynamic between the auditor and executive team. It is easy to see how this might undermine the independence and objectivity of the auditor, and instil a sense that management is its client.

Audit Committees engagement with shareholders needs strengthening

We are also concerned where Audit Committees view executive feedback on the auditor as the main input into annual reviews of performance. We noted in the latest 2017 BP Annual Report, for instance, that the Audit Committee surveyed executives (i.e. those being audited) for their views of the auditor. However, there was no mention of reaching out to shareholders (the client of the audit)

¹² <https://www.rolls-royce.com/~media/Files/R/Rolls-Royce/documents/investors/annual-reports/rr-full%20annual%20report--tcm92-55530.pdf>

for their views of the audit, which arguably is the more important constituency to consult. This is a flawed approach, but likely not unique to BP.

Audit Effectiveness (p.82, BP ARA 2017):

The effectiveness, performance and integrity of the external audit process was evaluated through separate surveys for committee members and those BP personnel impacted by the audit, including chief financial officers, controllers, finance managers and individuals responsible for accounting policy and internal controls over financial reporting.

The survey sent to management comprised questions across five main criteria to measure the auditors' performance:

- *Robustness of the audit process.*
- *Independence and objectivity.*
- *Quality of delivery.*
- *Quality of people and service.*
- *Value added advice.*

Further questions were included on BP's attitude to the audit and the progress of the audit transition.

The 2017 evaluation concluded that the external auditor's performance had remained largely constant in key areas compared with the previous year. Areas with high scores and favourable comments included quality of accounting and auditing judgement, the working relationship with management and the insight brought through EY's audit work."

5. Address conflicts of interest and increase competition

For the reasons outlined above, we do not believe that interventions focused on increasing competition will themselves be sufficient to address problems with audit quality. Having eight audit firms competing to provide the wrong thing is no better than four. What is vital is the regulator clarifies that auditors are responsible for enforcing the capital maintenance regime, ensuring dividends are legal and capital is not being distributed.

If we can get clarity on the purpose of the audit and what a high quality audit looks like, then action to control conflicts of interests is also important.

Audit firms non-audit work should be restricted

We are supportive of regulatory action to separate audit from non-audit services. Much of the advisory activity undertaken by audit firms, such as tax avoidance and acquisition due diligence, creates a tension in the business model and institutional mind-set between serving executives on the one hand, and the interests of investors on the other hand, which requires scepticism and independence from management.

We are, therefore, in favour of regulatory action that prohibits audit firms from providing non-audit services to audit clients. Also, there should be a cooling off period of, say, three years after the end of the audit assignment before the firm can sell non-audit work to the former audited entity.

While the above would help address direct conflicts of interest, a strong case can be made for a structural separation, and thus the creation of pure audit firms. Auditors need to adopt a sceptical mind-set and be comfortable challenging management. This is a very different relationship to one adopted by consultant to management. Where audit firm are undertaking both audit and consulting

work, they will always struggle to reconcile these competing models. The creation of pure audit firms would eliminate this tension. Also, an advantage of pure audit would be an immediate increase in the number of firms competing for audit business today since none would be ruled out on conflict grounds.

We are sceptical of the argument against pure audit firms that providing a plethora of “professional services” to company executives in fact improves audit outcomes for shareholders. This is not clearly supported by any evidence. The level of audit quality which has arisen from such arrangements has been unsatisfactory, and, anecdotally, senior audit-only partners whom we have spoken to do not feel that their career has been limited or less attractive because they have not provided consulting services.

Similarly, we are unconvinced that any disruption to international network arrangements due to the separation of audit and non-audit practices would undermine the delivery of high quality global audits. Recent failings in Big Four audit firms’ local partners, such as KPMG South Africa or PwC Italy, suggest that the co-branding should provide little assurance to shareholders seeking an independent check on the reliability of management’s accounts.

An increase in the number of firms as a result of these or other measures may also support more effective and robust regulatory oversight of audit in the UK. The reasons for this failure are manifold and addressed in detail in our submission to Sir John Kingman’s independent Review of the FRC.¹³ With regard to competition specifically, it is clear that the concentration of large audits among the Big Four has created a “too few to fail” scenario which has weakened the FRC’s approach to enforcement, despite it not having a competition objective. For example, the FRC has said that it considers the impact of its enforcement decisions on audit committees’ ability to meet appropriate requirements in selecting an auditor (i.e. that it might not be possible to meet these if one of the Big Four were banned from carrying out audits).

6. Links and attachments

- Accounting Standards Board letter to Department of Trade and Industry, regarding inconsistency between IFRS and capital maintenance regime, 2005;
- George Bompas QC Legal opinions 2013 and 2015
- ICAEW Briefing Paper, Implications of IFRS for Distributable Profits, 2005;
- ICAEW TECH 02/17BL, “Guidance on realised and distributable profits under the Companies Act 2006”, April 2017. <https://www.icaew.com/-/media/corporate/files/technical/technical-releases/legal-and-regulatory/tech-02-17-bl-guidance-on-realised-and-distributable-profits-under-the-companies-act-2006.ashx>
- KPMG Feasibility Study on Capital Maintenance, ‘Contract ETD/2006/IM/F2/71’, 2008.
- Sarasin & Partners et al position paper, ‘Investors require a robustly independent audit regulator’, October 2017. <http://www.sarasinandpartners.com/docs/default->

¹³ <http://www.sarasinandpartners.com/docs/default-source/esg/sarasin-and-partners-response-to-independent-review-of-the-frc.pdf?sfvrsn=2>

[source/esg/position-paper---investors-require-a-robustly-independent-audit-regulator-oct-2017.pdf?sfvrsn=4;](http://www.sarasinandpartners.com/docs/default-source/esg/position-paper---investors-require-a-robustly-independent-audit-regulator-oct-2017.pdf?sfvrsn=4)

- Sarasin & Partners' response to the Independent Review of the FRC
[http://www.sarasinandpartners.com/docs/default-source/esg/sarasin-and-partners-response-to-independent-review-of-the-frc.pdf?sfvrsn=2;](http://www.sarasinandpartners.com/docs/default-source/esg/sarasin-and-partners-response-to-independent-review-of-the-frc.pdf?sfvrsn=2)
- Sarasin & Partners' response to the Monitoring Group consultation on the governance of international auditing standards, February 2018;