



THE ASSOCIATION
OF INTERNATIONAL
ACCOUNTANTS

CREATING WORLD CLASS
ACCOUNTANTS

ASSOCIATION OF INTERNATIONAL ACCOUNTANTS

Financial Reporting Council:
Draft Plan and Budget and Levy Proposals 2011/12

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Association of International Accountants

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Company number 00264086. The AIA is a Recognised Qualifying Body for company auditors in the UK.

Introduction

These comments are submitted by the Association of International Accountants, with input from a technical committee and members of the Association.

About AIA

AIA is one of six statutorily Recognised Qualifying Bodies (RQBs) in the United Kingdom for statutory auditors under the Companies Act 2006. The AIA professional qualification is recognised throughout the European Union and in other major financial centres around the world.

The Association promotes and supports the advancement of the accountancy profession both in the UK and internationally. Whilst supporting international accounting and auditing standards the AIA seeks to ensure that its examinations and membership requirements support the development of the accountancy profession in the countries in which it examines.

The AIA's examinations for membership have been held half-yearly on a world wide basis for 80 years. The examinations are based on International Financial Reporting and International Auditing Standards and are complemented by a range of variant papers applicable to local tax and company law in key jurisdictions together with an optional paper in Islamic Accounting Auditing and Banking Practice. As an RQB under the UK Companies Act 2006 the AIA offers to students who take its examinations and go on as members to complete special audit-based practical training under the AIA, an accountancy qualification which is recognised by the UK Government under that Act as a recognised professional qualification for statutory auditors in the UK.

AIA also has supervisory status for its members in the UK under the Money Laundering Regulations 2007.

AIA members are professionally qualified to undertake accountancy employment in the public and private sectors.

Questions

Introduction

AIA welcomes the opportunity to comment on the Financial Reporting Council's (FRC) budget and levy proposals for 2011/12.

In general AIA agrees with the FRC proposed budget and levy proposals as stated, the exception being the arrangements specified for the Accountancy and Actuarial Discipline Board (AADB). AIA's comments regarding these arrangements are stated below in response to the consultation questions.

Question 1: Do you have any comments on the proposed major activities and projects?

AIA supports the major activities and projects outlined. The only concern we have concerns the adequacy of the resources available to the AADB for the proposed activities.

The FRC states that a major project for the AADB will be to review the time and cost involved in handling cases and to attempt to reduce this without compromising the standard of investigation.

AIA supports calls for ongoing review and analysis of current systems in order to increase and enhance their efficiency; however, given the increasing caseload of the AADB, AIA suggests that additional staff and resources need to be made available to the Board in order to effectively meet the increasing caseload demands in addition to undertaking the proposed comprehensive review of the current process.

Question 2: Do you have any comments on our draft budget and funding projections for 2011/12?

AIA supports the stated draft budget and funding projections; however in line with the comments above we suggest a small increase in the budget for the AADB core operating costs to accommodate the demands placed upon the Board during this period.

Question 3: Do you have comments on our proposed levies for 2011/12?

AIA supports the proposed levies for 2011/2012.