



Financial Reporting Council

Key Facts and Trends in the Accountancy Profession

Selected Statistics

August 2022

What is KFAT and why do we produce it?

This publication provides statistical information and trends on the members and students in the accountancy profession. Information is obtained from the following accountancy bodies: the six UK Chartered Accountancy bodies, the Association of International Accountants (AIA) ('the accountancy bodies') and the Association of Accounting Technicians (AAT) ('all bodies').

We also contact audit firms which audit Public Interest Entities (PIEs) and ask them to participate in providing data to help understand the competitiveness and resilience of the UK audit market, as well as diversity at these firms.

Where there are notable trends in the data, we follow this up with all bodies to verify that they are content with the information they provided, but we do not include commentary on the possible reasons for any particular trends. We stress that it is often difficult to make comparisons between the different accountancy bodies, or between the audit firms that audit PIEs, given the differences in the way data is classified by those bodies and firms and because of different regulatory arrangements in the UK, Republic of Ireland (ROI) and the rest of the world.

As well as being a great tool for employers of accountants, users of accountancy services and accountants themselves, it is widely used by researchers, students and other organisations.

Growth in numbers of members and students at the bodies

Membership of the accountancy bodies continues to grow and student numbers to rise. The seven bodies in this report have over



385,000

members in the UK and ROI and over



590,000

members worldwide.

Between 2020 and 2021, membership grew by

2.1%

in the UK and ROI and

2.8%

worldwide.

The seven bodies have nearly



162,000

students in the UK and ROI, and over



597,000

students worldwide.

Between 2020 and 2021, student numbers grew by

0.3%

in the UK and ROI and

1.6%

worldwide.

Female members worldwide

Since 2017, all the accountancy bodies have increased their percentage of female members worldwide. AIA experienced the largest increase, of 3 percentage points, in this five year period from 34% to 37%. ACCA continues to have the highest percentage of female members of all the accountancy bodies at 48%.

The overall percentage of female members worldwide has increased from...



36%

in 2017 to...



37%

in 2021

Decline in audit firms registered at the bodies

The number of audit firms registered with the Recognised Supervisory Bodies (RSBs) continues to decline. The total number of registered audit firms was...



4,745 as at 31 December 2021,

falling from **5,127** and **5,007**

registered firms as at 31 December 2019 and 2020, respectively.

Changes in total fee income for firms auditing PIEs

Audit fee income for the Big Four firms increased by



6.5%

from 2020 to 2021

Compared with



7.9%

from 2019 to 2020

Fees for non-audit work to audit clients increased by



10.3%

for the Big Four

Compared to a reduction of



2.2%

in 2020

Audit fee income for audit firms outside the Big Four increased by



12.5%

from 2020 to 2021

Compared with



20.9%

from 2019 to 2020

In contrast, non-Big Four firms saw a decrease in fees for non-audit work to audit clients of



6.8%

in 2021

Compared to an increase of



6.1%

in 2020

FTSE 350 market share of audit firms: the next five largest firms are auditing more FTSE 350 entities

After the Big Four firms, the next largest firms by number of listed audit clients are **BDO, Grant Thornton, PKF Littlejohn, RSM** and **Crowe**.



Last year, these five firms audited 7.6% (19) of the FTSE 350 companies; this year they audited 10% (24).

Two firms outside these nine audit firms (the Big Four plus the next largest five) also audited 1.6% (4) of the FTSE 250 companies this year.



compared with 0.8% (2) last year.

Senior management diversity at the firms

With regards to diversity at audit firms, we have focused on senior management at each of the 25 PIE audit firms responding to our survey, highlighting those managers, directors and partners who are female, from black, Asian, and minority ethnic backgrounds, have a disability, or are LGBTQ+.

We break down this information across different sizes of audit firms: firms with under 200 employees; firms with between 200 and 2,000 employees; and firms with over 2,000 employees.

Firms with over 2,000 employees had the highest percentage of individuals from black, Asian and minority ethnic backgrounds at manager level at 17.7% but the lowest percentage of individuals from black, Asian and minority ethnic backgrounds at partner level at 7.9%.



managers

17.7%



partners

7.9%

Firms with 200 to 2,000 employees had the highest percentage of female senior managers at manager and director levels with 50.4% and 41.7% respectively.



managers

50.4%



directors

41.7%



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