

PREPARERS LEVY 2017/18

FACT SHEET (for GDR issuers)

The Financial Reporting Council (FRC) is the UK's independent regulator responsible for promoting high quality corporate governance and reporting to foster investment. We are the Competent Authority for statutory audit in the UK and set the UK Corporate Governance and Stewardship Codes as well as UK standards for accounting, auditing and actuarial work. We represent UK interests in international standard-setting. We monitor and take action to promote the quality of corporate reporting and operate independent enforcement arrangements for accountants and actuaries. We also oversee the regulatory activities of the accountancy and actuarial professional bodies. Details of the FRC's work are available on our website at www.frc.org.uk.

The Preparers Levy

By agreement with the Department for Business, Energy and Industrial Strategy and HM Treasury, the Financial Reporting Council is funded partly through a preparers levy on organisations that are subject to, or have regard to, FRC regulatory requirements in preparing their accounts, i.e:

- All companies listed on the London Stock Exchange with a Premium equity share or Standard share listing.
- All UK AIM and ISDX (previously known as PLUS) Market group companies with equity share listing.
- All large private entities with a turnover of £500m or more. Large private subsidiaries of UK listed companies are invoiced on the same invoice as their parent company.
- Standard Global Depository Receipt companies ('DRs')
- Government Departments and other public sector organisations that publish their accounts

Basis for the Preparers Levy

The FRC's responsibilities are funded through non-statutory arrangements on the basis of an understanding with the groups who pay the levy.

Should this voluntary approach prove unsustainable, the FRC would formally request that the Secretary of State make regulations for the FRC to levy its funding on a statutory basis under Section 17 Companies (Audit, Investigations and Community Enterprise) Act 2004.

How much to pay?

The 2017/18 Preparers levy for GDR issuers is made up of a flat fee, depending on the location of their home competent authority. For issuers that have UK as their home competent authority, the levy is **£3,450**. For the rest of GDR issuers, the levy is **£2,750**. The invoiced amount will appear on the same invoice issued by the Financial Conduct Authority for their own levy and will be dispatched in June / July period.

Contact Us

If you have a question about the method of payment, please contact the FCA contact centre on 0300 500 0597.

If you have any other query in relation to the levy, please e-mail the FRC Head of Delivery Unit, David Andrews, on plan@frc.org.uk (telephone: 020 7492 2382) or the FRC Revenue & Planning Manager, Tulsee Rughoobur, on t.rughoobur@frc.org.uk (telephone 020 7492 2338).

Financial Reporting Council

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