

# THE ANNUAL AUDIT FEES SURVEY FTSE-100

The audit profession has changed, and so has the quoted company sector's relationship with it. Encouraged (if not actually mandated) by US regulation, audit committees' concern over auditor independence has resulted in tightly drafted policies on the sort of work that can and can't be handled automatically by the group auditor. And as Deloitte remains the only one of the Big Four to have retained its consultancy practice, it is the only one to have seen a rise in non-audit fee income from its audit clients. But those Sarbanes-Oxley certificates come at a price: the average FTSE-100 audit fee is 12% higher than it was last year.

Company	Year end	Sign-off time	Auditor	Audit fee	Other fees	Total fees to auditors	acc	assur	cons	corp	int aud	int cont	IT	due dil	reg	restr	tax	other
3i Group	31-Mar-04	42 days	E&Y	£0.800m	£0.900m	£1.700m		£0.20m						£0.40m			£0.20m	£0.10m
Abbey National	31-Dec-03	56 days	D&T	£4.100m	£5.900m	£10.000m		£2.20m	£3.50m								£0.20m	
Alliance & Leicester	31-Dec-03	50 days	D&T	£0.500m	£1.100m	£1.600m	£0.70m					£0.10m		£0.10m			£0.10m	£0.10m
Alliance Unichem	31-Dec-03	55 days	D&T	£1.300m	£1.300m	£2.600m								£0.20m			£1.00m	£0.10m
Allied Domecq	31-Aug-04	50 days	KPMG	£3.000m	£1.000m	£4.000m											£1.00m	
Amvescap	31-Dec-03	58 days	E&Y	£1.661m	£1.114m	£2.775m		£0.40m							£0.24m		£0.24m	£0.24m
Anglo American	31-Dec-03	55 days	D&T	£6.242m	£8.364m	£14.606m		£0.42m	£2.85m	£0.48m	£0.18m		£0.97m		£0.06m		£2.61m	£0.79m
Antofagasta	31-Dec-03	127 days	D&T	£0.182m	£0.061m	£0.242m												
Assoc Br Foods	18-Sep-04	53 days	KPMG	£2.700m	£2.600m	£5.300m		£0.70m						£0.50m			£1.40m	
AstraZeneca	31-Dec-03	29 days	KPMG	£2.970m	£2.667m	£5.636m		£1.27m							£0.30m		£1.09m	
Aviva	31-Dec-03	55 days	E&Y	£8.600m	£6.900m	£15.500m	●	£2.70m				●		●	£3.30m			£0.90m
BAA	31-Mar-04	47 days	PwC	£0.600m	£0.400m	£1.000m		£0.10m							£0.10m		£0.20m	
BAESystems	31-Dec-03	56 days	KPMG	£3.734m	£5.229m	£8.963m	£1.52m	£0.30m						£0.58m	£0.03m		£2.79m	£0.02m
Barclays	31-Dec-03	42 days	PwC	£6.000m	£15.000m	£21.000m		£3.00m						£2.00m	£3.00m		£6.00m	£1.00m
BG	31-Dec-03	65 days	PwC	£1.700m	£0.700m	£2.400m		£0.10m									£0.40m	£0.20m
BHP Billiton	30-Jun-04	63 days	KPMG	£4.743m	£1.486m	£6.229m		£0.23m									£0.86m	£0.40m
BOC	30-Sep-04	53 days	PwC	£2.500m	£3.500m	£6.000m		£0.50m									£1.60m	£1.40m
Boots	31-Mar-04	56 days	KPMG	£0.900m	£1.900m	£2.800m		£1.20m									£0.50m	£0.20m
BP	31-Dec-03	40 days	E&Y	£10.909m	£33.333m	£44.242m		£7.88m						£5.45m	£3.03m		£11.52m	£5.45m
Br Am Tobacco	31-Dec-03	55 days	PwC	£6.300m	£4.200m	£10.500m		£0.40m							£0.20m		£3.10m	£0.50m
British Airways	31-Mar-04	47 days	E&Y	£1.650m	£0.508m	£2.158m								£0.24m			£0.27m	
British Land	31-Mar-04	54 days	D&T	£0.900m	£2.400m	£3.300m		£0.40m									£2.00m	
BSkyB	30-Jun-04	34 days	D&T	£1.000m	£8.000m	£9.000m		£1.00m				£7.00m						
BT	31-Mar-04	49 days	PwC	£3.767m	£5.260m	£9.027m		£0.08m		£0.46m					£1.95m		£2.66m	£0.11m
Bunzl	31-Dec-03	54 days	KPMG	£1.500m	£2.400m	£3.900m								£1.50m			£0.90m	
Cable & Wireless	31-Mar-04	62 days	KPMG	£3.200m	£3.100m	£6.300m		£0.80m									£2.20m	£0.10m
Cadbury Schweppes	28-Dec-03	78 days	D&T	£3.800m	£2.100m	£5.900m		£0.40m									£1.70m	
Cairn Energy	31-Dec-03	69 days	E&Y	£0.152m	£0.122m	£0.274m		£0.01m							£0.08m		£0.02m	£0.02m
Capita	31-Dec-03	56 days	E&Y	£0.500m	£0.400m	£0.900m		£0.10m						£0.10m			£0.10m	£0.10m
Carnival	30-Nov-03	60 days	PwC	n/a														
Centrica	31-Dec-03	43 days	PwC	£2.100m	£1.600m	£3.700m		£0.50m							£0.30m		£0.60m	£0.20m
Compass Group	30-Sep-03	63 days	D&T	£2.000m	£3.000m	£5.000m		£1.00m									£2.00m	
Daily Mail & Gen Tst	28-Sep-03	59 days	D&T	£1.600m	£0.800m	£2.400m		£0.10m									£0.60m	£0.10m
Diageo	30-Jun-04	63 days	KPMG	£3.500m	£7.700m	£11.200m						£0.20m		£2.10m	£1.40m		£4.00m	
Dixons	1-May-04	53 days	D&T	£0.800m	£1.700m	£2.500m		£0.10m							£0.10m		£1.50m	
EMAP	31-Mar-04	54 days	PwC	£0.900m	£1.000m	£1.900m											£1.00m	
Enterprise Inns	30-Sep-03	56 days	E&Y	£0.100m	£0.200m	£0.300m												£0.20m
Exel	31-Dec-03	58 days	E&Y	£2.300m	£1.100m	£3.400m		£0.40m									£0.60m	£0.10m
Friends Provident	31-Dec-03	62 days	PwC	£0.800m	£0.296m	£1.096m												£0.30m
Gallaher	31-Dec-03	62 days	PwC	£1.100m	£1.600m	£2.700m		£0.70m									£0.80m	£0.10m
GlaxoSmithKline	31-Dec-03	63 days	PwC	£7.600m	£7.600m	£15.200m		£2.60m									£4.60m	£0.40m
GUS	31-Mar-04	54 days	PwC	£2.000m	£5.000m	£7.000m		£1.00m									£4.00m	
Hanson	31-Dec-03	50 days	E&Y	£2.700m	£1.800m	£4.500m		£0.70m							£0.30m		£0.50m	£0.30m
Hays	30-Jun-04	68 days	D&T	£0.600m	£3.900m	£4.500m		£3.40m									£0.10m	£0.40m
HBOS	31-Dec-03	55 days	KPMG	£4.300m	£5.200m	£9.500m	£1.70m	£2.60m	●								£0.90m	
Hilton Group	31-Dec-03	57 days	E&Y	£2.300m	£1.200m	£3.500m									£0.60m		£0.50m	£0.10m
HSBC	31-Dec-03	61 days	KPMG	£18.303m	£11.333m	£29.636m	●	£4.12m				●		●	£3.70m		£2.00m	£1.52m
ICI	31-Dec-03	42 days	KPMG	£3.100m	£1.800m	£4.900m		£0.30m							£0.60m		£0.80m	£0.10m
Imperial Tobacco	30-Sep-03	48 days	PwC	£2.100m	£2.300m	£4.400m		£0.30m						£0.10m			£1.90m	
Intercon Hotels	31-Dec-03	70 days	E&Y	£2.800m	£8.400m	£11.200m		£0.90m		£6.30m							£1.20m	

Non-audit fees code: **acc**: accounting services **assur**: other assurance services **cons**: other consultancy (non-IT) **corp**: corporate finance/transactions, listings, securitisations, etc **int aud**: internal audit **int cont**: internal controls **IT**: IT systems consultancy, implementation **due dil**: due diligence in mergers and acquisitions, or for the vendor in disposals **reg**: regulatory filings and other reports, including quarterly, interim and other reporting issues connected with the statutory audit **restr**: restructuring, business advisory **tax**: tax advice and compliance

Where no cost breakdown is given but a subject heading is mentioned, a red blob ● is used to highlight the area of expenditure. Foreign currency reporting converted to £ at average exchange rates **BAA**: PwC succeeded Deloitte **BHP Billiton**: other audit firm is PwC which had previously been joint-auditor **BSkyB**: IT expenditure relates to a new CRM centre **Cable & Wireless**: audit certificate appears to be undated; sign-off date based on directors' sign-off **Friends Provident**: PwC to be succeeded by KPMG **HSBC**: KPMG estimates it has been paid fees of US\$12m by parties other than HSBC but where HSBC is

Company	Year end	Sign-off time	Auditor	Audit fee	Other fees	Total fees to auditors	acc	assur	cons	corp	int aud	int cont	IT	due dil	reg	restr	tax	other
ITV (Carlton)	31-Dec-03	63 days	PwC	£0.800m	£2.000m	£2.800m	£0.10m					£0.10m		£1.30m	£0.20m		£0.30m	
ITV (Granada)	31-Dec-03	63 days	KPMG	£0.500m	£2.300m	£2.800m	£0.10m	£0.20m						£1.50m			£0.50m	
Johnson Matthey	31-Mar-04	63 days	KPMG	£0.900m	£0.700m	£1.600m								£0.20m	£0.20m		£0.30m	
Kingfisher	31-Jan-04	45 days	PwC	£1.100m	£5.900m	£7.000m		£0.40m						●	£5.20m		£0.30m	
Land Securities	31-Mar-04	48 days	PwC	£0.500m	£0.700m	£1.200m			£0.10m								£0.40m	£0.20m
Legal & General	31-Dec-03	56 days	PwC	£1.000m	£0.900m	£1.900m		£0.40m							£0.10m		£0.10m	£0.30m
Liberty Intl	31-Dec-03	42 days	PwC	£0.414m	£0.099m	£0.513m		£0.02m							£0.08m			
Lloyds TSB	31-Dec-03	65 days	PwC	£5.500m	£6.700m	£12.200m		£3.30m						£0.70m	£0.90m		£1.60m	£0.20m
Man Group	31-Mar-04	50 days	PwC	£1.400m	£1.900m	£3.300m									£0.40m		£1.50m	
Marks & Spencer	3-Apr-04	51 days	PwC	£1.200m	£1.400m	£2.600m		£0.10m	£0.40m								£0.90m	
Mmo2	31-Mar-04	47 days	PwC	£1.000m	£0.817m	£1.817m		£0.34m							£0.03m		£0.45m	
Morrison (Wm)	1-Feb-04	46 days	KPMG	£0.140m	£1.184m	£1.324m								£1.06m			£0.13m	
Nat Grid Transco	31-Mar-04	49 days	PwC	£4.000m	£6.000m	£10.000m		£2.00m						£2.00m	£1.00m		£1.00m	
Next	31-Jan-04	54 days	E&Y	£0.300m	£0.100m	£0.400m												£0.10m
Northern Rock	31-Dec-03	55 days	PwC	£0.900m	£0.400m	£1.300m		£0.40m										
Old Mutual	31-Dec-03	77 days	KPMG	£4.500m	£6.000m	£10.500m		£3.50m									£2.50m	
Pearson	31-Dec-03	58 days	PwC	£2.800m	£2.200m	£5.000m									£0.20m		£2.00m	
Prudential	31-Dec-03	79 days	KPMG	£3.600m	£3.200m	£6.800m		£0.80m							£0.50m		£0.30m	£1.60m
Reckitt Benckiser	31-Dec-03	72 days	PwC	£2.000m	£1.000m	£3.000m					£0.20m			£0.20m	£0.10m		£0.40m	£0.10m
Reed Elsevier	31-Dec-03	49 days	D&T	£2.500m	£2.100m	£4.600m		£0.80m						£0.60m			£0.60m	£0.10m
Rentokil Initial	31-Dec-03	84 days	PwC	£2.500m	£0.400m	£2.900m	●						●				●	£0.40m
Reuters	31-Dec-03	63 days	PwC	£3.000m	£3.400m	£6.400m								£1.70m	£0.10m		£1.60m	
Rexam	31-Dec-03	64 days	PwC	£2.000m	£1.700m	£3.700m	£0.30m			£1.10m							£0.20m	£0.10m
Rio Tinto	31-Dec-03	51 days	PwC	£3.394m	£2.970m	£6.364m		£0.06m			£0.06m		£0.06m		£0.30m		£1.52m	£0.97m
Rolls-Royce	31-Dec-03	42 days	KPMG	£3.200m	£2.000m	£5.200m										£0.80m		£1.20m
Royal & SunAll	31-Dec-03	70 days	PwC	£3.079m	£7.481m	£10.560m		£1.56m		£2.69m					£1.26m		£1.08m	£0.88m
Royal Bank of Scot	31-Dec-03	49 days	D&T	£7.200m	£7.600m	£14.800m		£5.70m							£0.60m		£0.60m	£0.70m
SABMiller	31-Mar-04	68 days	PwC	£3.529m	£3.529m	£7.059m		£1.18m						£1.18m			£1.18m	£0.00m
Sage Group	30-Sep-03	83 days	PwC	£0.539m	£1.884m	£2.423m								£0.33m			£1.55m	
Sainsbury (J)	27-Mar-04	52 days	PwC	£0.600m	£2.800m	£3.400m			£1.70m						£0.30m		£0.80m	
Schroders	31-Dec-03	71 days	PwC	£1.200m	£1.500m	£2.700m		£0.30m									£0.20m	£1.00m
Scot & Newcastle	31-Dec-03	54 days	E&Y	£1.400m	£3.300m	£4.700m								£3.30m				
Scot & Southern	31-Mar-04	48 days	KPMG	£0.400m	£0.110m	£0.510m		£0.09m									£0.02m	
Scottish Power	31-Mar-04	55 days	PwC	£1.500m	£3.500m	£5.000m		£0.70m							£0.40m		£2.40m	
Severn Trent	31-Mar-04	68 days	PwC	£0.700m	£1.100m	£1.800m								£0.50m	£0.20m		£0.20m	£0.20m
Shell T&T	31-Dec-03	143 days	PwC <sup>UK</sup> KPMG <sup>NL</sup>	£19.394m	£14.545m	£33.939m		£6.67m									£4.24m	£3.64m
Shire Pharm	31-Dec-03	72 days	D&T	£0.630m	£2.337m	£2.967m		£1.02m									£1.15m	£0.18m
Smith & Nephew	31-Dec-03	76 days	E&Y	£1.400m	£4.600m	£6.000m	●	£0.30m					●	●			£0.60m	£3.70m
Smiths Group	31-Jul-04	53 days	PwC	£3.500m	£3.100m	£6.600m		£0.20m						£0.50m			£2.30m	£0.10m
Std Chartered	31-Dec-03	49 days	KPMG	£3.333m	£2.545m	£5.879m								£0.06m	£1.15m		£0.55m	£0.79m
Tesco	28-Feb-04	51 days	PwC	£1.200m	£1.600m	£2.800m		£1.00m									£0.50m	£0.10m
Tomkins	3-Jan-04	54 days	D&T	£2.100m	£2.800m	£4.900m	£0.60m								£0.10m		£2.10m	
Unilever	31-Dec-03	62 days	PwC	£9.100m	£14.000m	£23.100m		£2.10m	£1.40m								£9.80m	£0.70m
United Utilities	31-Mar-04	49 days	D&T	£0.563m	£1.217m	£1.780m		£0.88m		●				●			£0.34m	
Vodafone	31-Mar-04	55 days	D&T	£4.000m	£8.000m	£12.000m							£2.00m	£1.00m	£2.00m		£2.00m	£1.00m
Whitbread	4-Mar-04	61 days	E&Y	£0.700m	£0.200m	£0.900m									£0.10m		£0.10m	
William Hill	30-Dec-03	65 days	D&T	£0.300m	£0.500m	£0.800m		£0.10m									£0.40m	
Wolseley	31-Jul-04	58 days	PwC	£2.100m	£3.500m	£5.600m								£0.20m			£2.60m	£0.70m
WPP Group	31-Dec-03	131 days	D&T	£7.300m	£6.500m	£13.800m			£0.90m					£2.80m			£2.80m	
Xstrata	31-Dec-03	54 days	E&Y	£2.242m	£7.515m	£9.758m		£6.42m		●				●			£0.91m	£0.18m
Yell	31-Mar-04	56 days	PwC	£0.600m	£5.400m	£6.000m		£0.60m		£3.60m				£0.50m	£0.10m		£0.30m	£0.30m

connected with the contracting party. These fees arise principally in respect of services such as audit of mutual funds managed by HSBC and reviews of the financial position of corporate borrowers where HSBC is a lender. ITV: accounts for ITV plc have not yet been issued. Analysis is based on constituent companies Granada and Carlton; both are for 15-month periods Intercontinental Hotels: 15-month period Land Securities: cons=bid support for Land Securities Trillium Legal & General: excludes audit fees of £0.5m and non-audit fees of £0.4m for non-consolidated subsidiaries Lloyds TSB: excludes audit fees of £0.6m relating

to unit trusts and pension schemes managed by the group Old Mutual: excludes audit fee of £1.6m paid by 52%-owned subsidiary Nedcor to Deloitte in respect of joint audit arrangements Rexam: PwC succeeded Ernst & Young; other fees include £1.1m for rights issue and £0.3m for IFRS project Scottish & Newcastle: 8-month period Smith & Nephew: other fees relate to unsuccessful bids for two companies Unilever: tax fees include €10m in respect of prior year tax settlement Vodafone: associated companies paid an additional £8m to Deloitte. Data and analysis by Financial Director

# THE ANNUAL AUDIT FEES SURVEY FTSE-250

in association with  
 **RESOURCES™**  
 GLOBAL PROFESSIONALS

Company	Year end	Auditor	Total fees	Company	Year end	Auditor	Total fees	Company	Year end	Auditor	Total fees
Body Shop Int'l	Feb-04	BDO Stoy Hayward	£900k	FKI	Mar-04	E&Y	£2,000k	Persimmon	Dec-03	KPMG	£300k
Abbot Group	Dec-03	PwC	£315k	Forth Ports	Dec-03	PwC	£200k	Photo-Me Int'l	Apr-04	E&Y	£443k
Acambis	Dec-03	PwC	£300k	French Connection	Jan-04	KPMG	£300k	PHS Group	Mar-04	PwC	£444k
Aegis Group	Dec-03	PwC	£2,500k	Geest	Jan-04	KPMG	£400k	Pilkington	Mar-04	PwC	£4,000k
Aga Foodservice	Dec-03	PwC	£700k	GKN	Dec-03	PwC	£4,000k	Pillar Property	Mar-04	KPMG	£1,300k
Aggregate Ind	Dec-03	KPMG	£700k	Go-Ahead Group	Jul-04	E&Y	£700k	Premier Farnell	Feb-04	PwC	£10,000k
Aggreko	Dec-03	PwC	£600k	Grainger Trust	Sep-03	PwC	£200k	Premier Foods	Dec-03	PwC	£500k
Alba	Mar-04	Hacker Young	£200k	Great Portland Est	Mar-04	D&T	£200k	Premier Oil	Dec-03	E&Y	£500k
Alea Group	Dec-03	D&T	£2,440k	Greene King	May-04	E&Y	£600k	Provident Financial	Dec-03	PwC	£1,400k
Amec	Dec-03	KPMG	£4,200k	Greggs	Dec-03	KPMG	£173k	Punch Taverns	Aug-03	E&Y	£200k
Amlin	Dec-03	D&T	£400k	Group 4 Securicor	Dec-03	Baker Tilly	£1,100k	PZ Cussons	May-04	D&T	£501k
Arla Foods UK	Mar-03	E&Y	£1,100k	GWR Group	Mar-04	D&T	£295k	Quintain Estates	Mar-04	KPMG	£1,027k
ARM Hldgs	Dec-03	PwC	£649k	Halfords	Apr-04	PwC	£700k	RAC	Dec-03	KPMG	£1,600k
Arriva	Dec-03	PwC	£700k	Halma	Apr-04	D&T	£507k	Randgold Res	Dec-03	PwC	n/a
Assoc British Ports	Dec-03	PwC	£400k	Hammerston	Dec-03	D&T	£800k	Rank Group	Dec-03	PwC	£2,300k
Atkins (WS)	Mar-04	PwC	£1,000k	Headlam Group	Dec-03	KPMG	£331k	Redrow	Jun-04	PwC	£200k
Avis Europe	Dec-03	PwC	£2,569k	HHG	Dec-03	E&Y	£5,000k	Regus	Dec-03	KPMG	£1,138k
AWG	Mar-04	PwC	£1,900k	Hiscox	Dec-03	KPMG	£300k	Renishaw	Jun-04	KPMG	£426k
Balfour Beatty	Dec-03	D&T	£2,900k	HIT Entertainment	Jul-03	PwC	£1,113k	RMC Group	Dec-03	PwC	£5,300k
Barratt Devs	Jun-04	PwC	£400k	HMV Group	Apr-04	E&Y	£658k	Rotork	Dec-03	KPMG	£353k
BBA Group	Dec-03	D&T	£2,100k	Homeserve	Mar-04	D&T	£937k	Scottish Radio	Sep-03	KPMG	£400k
Bellway	Jul-03	KPMG	£207k	ICAP	Mar-04	PwC	£3,700k	Serco	Dec-03	D&T	£3,449k
Benfield Group	Dec-03	PwC	£4,002k	IMI	Dec-03	KPMG	£3,900k	Shaftesbury	Sep-03	PwC	£128k
Berkeley Group	Apr-04	PwC	£757k	Inchcape	Dec-03	PwC	£2,100k	SIG	Dec-03	D&T	£1,052k
Big Food Group	Apr-04	PwC	£900k	International Power	Dec-03	KPMG	£1,500k	Signet Group	Jan-04	KPMG	£400k
Bodycote Int'l	Dec-03	D&T	£800k	Interserve	Dec-03	D&T	£1,000k	Singer & Friedlander	Dec-03	KPMG	£938k
Bovis Homes	Dec-03	KPMG	£160k	Intertek Group	Dec-03	KPMG	£1,200k	SkyePharma	Dec-03	PwC	£1,474k
BPB	Mar-04	E&Y	£2,500k	Invensys	Mar-04	E&Y	£21,000k	Slough Estates	Dec-03	PwC	£1,500k
Bradford & Bingley	Dec-03	KPMG	£1,300k	Investec	Mar-04	E&Y	£4,686k	SMG	Dec-03	D&T	£300k
Brambles Inds	Jun-04	PwC	£3,000k	ISoft Group	Apr-04	RSM Robson Rhodes	£358k	Smith (WH)	Aug-03	D&T	£1,400k
Brit Insurance Hldgs	Dec-03	Mazars	£897k	Jardine Lloyd Th	Dec-03	PwC	£1,408k	Smith (DS)	Apr-04	KPMG	£1,600k
Britannic	Dec-03	KPMG	£2,600k	JJB Sports	Jan-04	D&T	£225k	Somerfield	Apr-04	E&Y	£500k
British Vita	Dec-03	PwC	£800k	Johnston Press	Dec-03	D&T	£662k	Spectris	Dec-03	KPMG	£900k
Brown (N) Group	Feb-04	D&T	£300k	Kelda	Mar-04	E&Y	£600k	Spirax-Sarco	Dec-03	KPMG	£1,009k
Burberry	Mar-04	PwC	£1,900k	Kesa Electricals	Jan-04	PwC	£2,000k	Spirent	Dec-03	E&Y	£1,900k
Burren Energy	Dec-03	D&T	£206k	Kidde	Dec-03	PwC	£2,700k	SSL International	Mar-04	KPMG	£4,900k
Caledonia Invs	Mar-04	KPMG	n/a	Laing (John)	Dec-03	D&T	£700k	St Ives	Aug-03	D&T	£773k
Capital & Regional	Dec-03	D&T	£340k	Laird Group	Dec-03	E&Y	£1,500k	St James's Place	Dec-03	KPMG	£400k
Capital Radio	Sep-03	KPMG	£181k	Lastminute.com	Sep-03	E&Y	£611k	St Modwen Props	Nov-03	E&Y	£110k
Carillion	Dec-03	KPMG	£1,100k	LogicaCMG	Dec-03	PwC	£3,300k	Stagecoach	Apr-04	PwC	£900k
Carpetright	May-04	KPMG	£176k	London Stock Exch	Mar-04	PwC	£1,500k	Stanley Leisure	May-04	PwC	£400k
Carphone Whse	Mar-04	D&T	£1,118k	Lorinm	Sep-03	KPMG	£809k	T&F Informa	Dec-03	KPMG	£1,585k
Cattles	Dec-03	PwC	£1,302k	Luminar	Feb-04	PwC	£600k	Tate & Lyle	Mar-04	PwC	£2,000k
Chrysalis	Aug-03	KPMG	£431k	Manchester Utd	Jul-04	PwC	£230k	Taylor Nelson Sofres	Dec-03	PwC	£2,800k
Close Bros	Jul-04	D&T	£1,971k	Marconi	Mar-04	D&T	£5,000k	Taylor Woodrow	Dec-03	D&T	£1,100k
CLS Hldgs	Dec-03	PwC	£234k	Marshalls	Dec-03	KPMG	£104k	TBI	Mar-04	PwC	£500k
Cobham	Dec-03	PwC	£1,800k	Matalan	Feb-04	PwC	£500k	Thus	Mar-04	KPMG	£300k
Collins Stewart Tull	Dec-03	D&T	£1,300k	McAlpine (Alfred)	Dec-03	PwC	£1,300k	Topps Tiles	Sep-03	D&T	£70k
Computacenter	Dec-03	E&Y	£519k	McCarthy & Stone	Aug-03	E&Y	£200k	Travis Perkins	Dec-03	D&T	£400k
Cookson Group	Dec-03	KPMG	£3,000k	Meggitt	Dec-03	PwC	£890k	Trinity Mirror	Dec-03	D&T	£1,400k
Corus	Jan-04	PwC	£7,000k	Mersey Docks	Dec-03	PwC	£500k	Tullow Oil	Dec-03	D&T	£712k
Countrywide	Dec-03	KPMG	£300k	MFI Furniture	Dec-03	D&T	£1,200k	Ultra Electronics	Dec-03	D&T	£258k
Crest Nicholson	Oct-03	KPMG	£300k	Michael Page Int'l	Dec-03	D&T	£518k	Utd Business Media	Dec-03	E&Y	£1,100k
Croda International	Dec-03	PwC	£600k	Mill'm & Cophorne	Dec-03	KPMG	£1,200k	Vedanta Resources	Sep-03	D&T	n/a
CSR	Dec-03	D&T	£329k	Minerva	Jun-03	PwC	£118k	Virgin Mobile	Mar-04	D&T	£547k
Dairy Crest	Mar-04	E&Y	£500k	Misys	May-04	PwC	£2,200k	Viridian	Mar-04	E&Y	£400k
Davis Service Group	Dec-03	PwC	£1,215k	Mitchells & Butlers	Sep-03	E&Y	£600k	VT Group	Mar-04	KPMG	£481k
De La Rue	Mar-04	PwC	£1,300k	Mitie Group	Mar-04	D&T	£284k	Warner Chilcott	Sep-03	PwC	£599k
De Vere Group	Sep-03	E&Y	£149k	Morgan Crucible	Jan-04	KPMG	£1,000k	Weir Group	Dec-03	E&Y	£2,019k
Derwent Valley	Dec-03	BDO Stoy Hayward	£200k	National Express	Dec-03	E&Y	£1,400k	Wellington U/W	Dec-03	PwC	£300k
Dimension Data	Sep-03	D&T	£2,623k	NHP	Sep-03	D&T	£344k	Westbury	Feb-04	PwC	£324k
Easyjet	Sep-03	KPMG	£1,585k	Northern Foods	Apr-04	D&T	£400k	Wetherspoon (JD)	Jul-04	PwC	£138k
Egg	Dec-03	KPMG	£600k	Northgate	Apr-04	D&T	£333k	Wilson Bowden	Dec-03	D&T	£200k
Electrocomponents	Mar-04	KPMG	£1,000k	Northgate Info Sols	Apr-04	KPMG	£358k	Wimpey (George)	Dec-03	PwC	£500k
EMI Group	Mar-04	E&Y	£3,800k	Northumbrian Water	Mar-04	E&Y	£700k	Wolv & Dudley	Sep-03	PwC	£600k
Enodis	Sep-03	D&T	£2,200k	Novar Wtr	Dec-03	D&T	£1,600k	Wood Group (John)	Dec-03	PwC	£608k
Euromoney In Inv	Sep-03	D&T	£526k	Paladin Resources	Dec-03	E&Y	£189k	Woolworths	Jan-04	PwC	£500k
Evolution Group	Dec-03	PwC	£598k	Paragon	Sep-03	D&T	£900k	Workspace Group	Mar-04	PwC	£132k
F&C Asset Mgt	Dec-03	E&Y	£647k	Pendragon	Dec-03	KPMG	£304k	Yule Catto	Dec-03	D&T	£965k
First Choice Hols	Oct-03	KPMG	£1,300k	P&O Steam Nav	Dec-03	KPMG	£4,200k				
FirstGroup	Mar-04	D&T	£1,600k	Pennon Group	Mar-04	PwC	£1,800k				

source: Thomson Datastream

**At least there is something for which**

to thank Senator Paul Sarbanes and Congressman Mike Oxley: this annual audit fees survey has suddenly become easier to compile, thanks to new US regulations that make it so much easier to collate non-audit fees by type of expenditure. Recent SEC rules have now largely been adopted by FTSE-100 constituents, even if they are not obliged to do so. These rules require companies to disclose fees to group auditors for audit, audit-related and non-audit work under a number of defined headings:

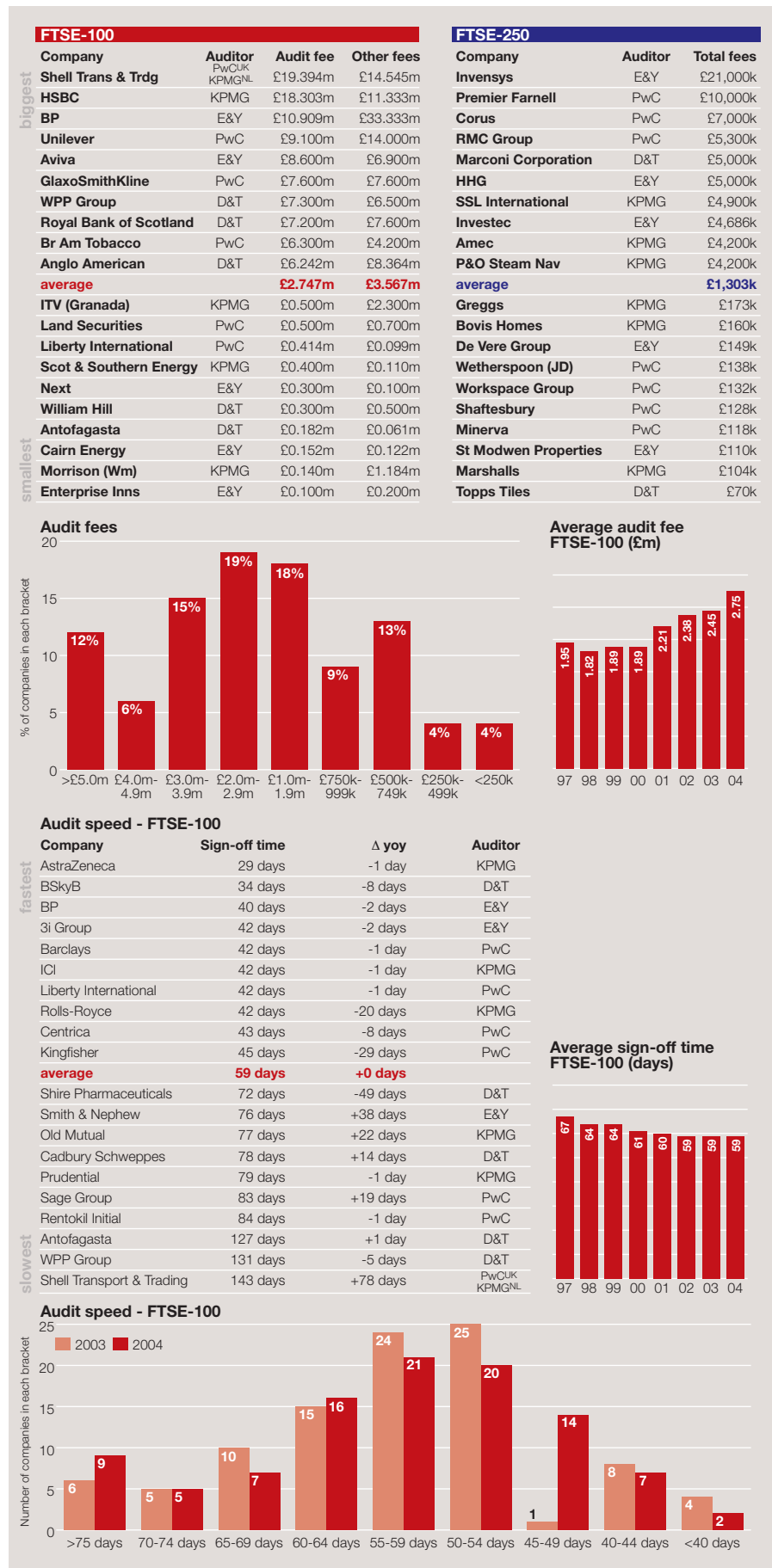
● **Statutory and regulatory filings** are to be classed as "audit fees". Typically, companies disclose these components separately. To maintain consistency with previous years' surveys and in recognition of the UK regime, we have classed the statutory component as the group audit fee, treating other filings or regulatory reports (to an industry regulator, for example) as a non-audit fee under the code "REG".

● **Audit-related fees** are to be separately identified and we have generally used the heading ASSUR to reflect the common nomenclature 'other assurance services'. Where, however, the company provides additional information as to the nature of these additional assurance services, we have recoded the expenditure appropriately. In some instances, no explicit cost breakdown is given, but some key headings are provided (eg, for due diligence, accounting and internal controls advice), in which case we have used blobs to highlight the area of expenditure.

● **Tax fees** are to be separated under the US rules into compliance, advice and planning – a distinction too far for this survey.

● **All other fees** – which is a catch-all. The result for our survey is that some of the categories we've used in previous years – such as IT or corporate finance – are rarely specifically mentioned now. We have added a new category – internal controls – where companies have made specific mention of the cost of auditor advice on such matters.

One interesting observation on audit speed: the trend remains inexorably towards faster audits as the bar chart reveals, though the headline data disguises this fact. But for the reserves crisis-inflicted doubling of Shell's audit time, the average would have been 58 days, one day faster than last year. But while many, such as Rolls-Royce, Kingfisher and even Shire Pharmaceuticals, have improved considerably, many others appear to be taking great care in this to get their audit certificates signed off.



**Big Four fees - FTSE-100**

	Clients (own + shared) <sup>1</sup>	Δyoy	Audit fees	Δ%	Other fees	Δ%	Total fees	Δ%
Deloitte	20	+2	£46.9m	+11%	£69.7m	+5%	£116.6m	+8%
Ernst & Young	17	+2	£37.8m	+46%	£71.7m	-3%	£109.5m	+10%
KPMG	20+1	-2.5	£77.7m	+16%	£71.7m	-27%	£149.5m	-10%
PwC	42+1	-0.5	£106.1m	+7%	£143.6m	-34%	£249.7m	-21%
<b>Total</b>			<b>£274.7m</b>	<b>+16%</b>	<b>£356.7m</b>	<b>-21%</b>	<b>£631.4m</b>	<b>-8%</b>

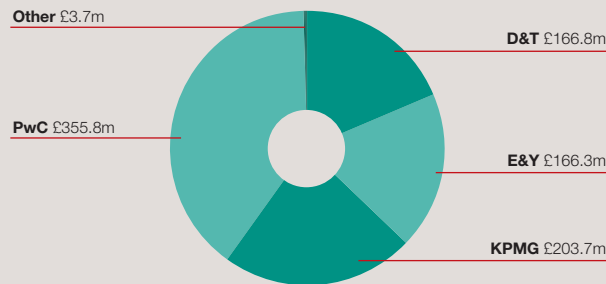
<sup>1</sup> Counts KPMG as sole auditor to ITV plc. Total audit fees include fees to unnamed auditors. Last year's survey excluded Foreign & Colonial Investment Trust

**Auditor fees - FTSE-250**

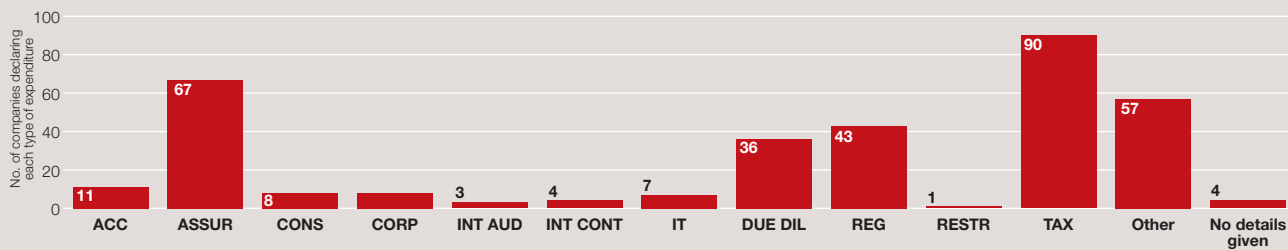
Auditor	No of clients	Total fees
Baker Tilly	1	£1,100k
BDO Stoy Hayward	2	£1,100k
D&T	50	£50,185k
E&Y	31	£56,831k
Hacker Young	2	£1,097k
KPMG	51	£54,276k
PwC	73	£106,047k
RSM Robson Rhodes	1	£358k
<b>Total</b>	<b>211</b>	<b>£270,994k</b>

Excludes investment trusts

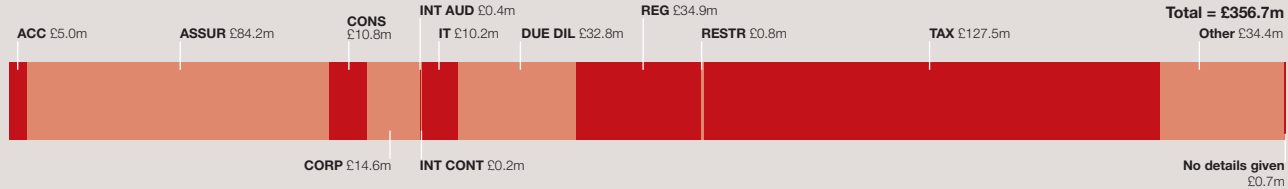
**Total auditor fees - FTSE-350**



**Type of non-audit fee expenditure - FTSE-100**



**Type of non-audit fee expenditure - FTSE-100**



**Value-for-money - FTSE-100**

Company	Audit fee per £1m turnover
Morrison (Wm)	£28
Sainsbury (J)	£35
Tesco	£39
Legal & General	£50
William Hill	£50
BP	£77
Scottish & Southern Energy	£78
Centrica	£118
Vodafone	£119
Next	£119
<b>average</b>	<b>£538</b>
Rentokil Initial	£1,057
Xstrata	£1,060
Liberty International	£1,146
Smith & Nephew	£1,188
Smiths Group	£1,280
Amvescap	£1,434
WPP Group	£1,778
British Land	£1,786
Schroders	£2,699
3i Group	£3,042

**Audit fees and other fees**

Company	Auditor	Audit fee	Other fees	Other as % of audit fee
Rentokil Initial	PwC	£2.500m	£0.400m	16%
Liberty International	PwC	£0.414m	£0.099m	24%
Scottish & Southern Energy	KPMG	£0.400m	£0.110m	28%
Whitbread	E&Y	£0.700m	£0.200m	29%
British Airways	E&Y	£1.650m	£0.508m	31%
BHP Billiton	KPMG	£4.743m	£1.486m	31%
Antofagasta	D&T	£0.182m	£0.061m	33%
Allied Domecq	KPMG	£3.000m	£1.000m	33%
Next	E&Y	£0.300m	£0.100m	33%
Friends Provident	PwC	£0.800m	£0.296m	37%
<b>average</b>				<b>165%</b>
Xstrata	E&Y	£2.242m	£7.515m	335%
Sage Group	PwC	£0.539m	£1.884m	350%
Shire Pharmaceuticals	D&T	£0.630m	£2.337m	371%
ITV (Granada)	KPMG	£0.500m	£2.300m	460%
Sainsbury (J)	PwC	£0.600m	£2.800m	467%
Kingfisher	PwC	£1.100m	£5.900m	536%
Hays	D&T	£0.600m	£3.900m	650%
BSkyB	D&T	£1.000m	£8.000m	800%
Morrison (Wm)	KPMG	£0.140m	£1.184m	846%
Yell	PwC	£0.600m	£5.400m	900%

sources: data: Company annual reports and Thomson Datastream; analysis and prior data: Financial Director