

## The Financial Reporting Council needs to come out of sp...

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Accountancy Age [has reported that](#):

*Big Four firms could now face fines up to £10m for “seriously poor audit work”, as the Financial Reporting Council (FRC) has implemented recommendations from a 2017 sanctions review.*

I guess we're meant to be impressed. I am not. I'd be happier if they did three things.

First, the FRS should stop trying to save its own skin with some too late, and probably meaningless, gestures that are supposed to represent reform.

Second, I'd like them to weed out bad audits and auditors, and not just make them unprofitable.

Third, I'd like them to actually make clear that audit is about ensuring companies are solvent when at present this fundamental requirement of UK law, implicit in the duty of an auditor to check that a company is able to pay a dividend without prejudicing its creditors, is ignored by the FRC.

Then I might take the FRC seriously. But right now it's just in spin mode, and that does not serve anyone's interests but its own.