HOUSE OF COMMONS

Business, Energy and Industrial Strategy Committee

Oral evidence: Future of Audit, HC 1718

Monday 4 February 2019

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Watch the meeting

Members present: Rachel Reeves (Chair); Vernon Coaker; Stephen Kerr; Peter Kyle; Sir Patrick McLoughlin; Mark Pawsey.

Questions 492 – 539

Witness

I: Sir Donald Brydon, Chair of the Independent Review of the Quality and Effectiveness of Audit.

Examination of Witness

Witness: Sir Donald Brydon.

Chair: Thank you, Sir Donald, for coming to give evidence to our Committee this morning on the future of audit. We are very interested in the review you are conducting at the moment. We have one further session tomorrow with the FRC looking at these issues, but we appreciate your time today. We have a number of questions, and we will start this afternoon with Peter Kyle.

Q492 **Peter Kyle:** Thank you, Sir Donald. To kick off, can I ask why you think it has been so difficult to find consensus on a way forward for reform? Is it vested interests or is it just a very diverse and complex issue?

Sir Donald Brydon: I do not know the answer and I have not been deeply involved in the process for the last year or two. I recognise that the issues people want me to look at are enormous and there are a lot of them. I suspect that is one reason why there is no consensus. It is a dynamic environment: things change, and expectations change as events unfold. There is a need to step right back and ask ourselves what the audit is, what reasonable expectations of it are, what is doable and what is not doable.

Q493 **Peter Kyle:** Are you concerned that the lack of consensus could mean that reform is hard to implement?

Sir Donald Brydon: I am sure reform will be hard to implement, because there are a lot of people with a lot of entrenched views that have no doubt evolved over very many years, but there is a willingness to look at the subject now. I am very struck by how many letters I have had from people saying, "We really want to help you". I think they genuinely want to help as opposed to suborn.

Q494 **Peter Kyle:** Have you had a letter from the Secretary of State saying that he wants to help you? Are you sure he will be there backing up any recommendations you have?

Sir Donald Brydon: He appointed me, so I imagine he wants me to succeed.

Q495 **Peter Kyle:** Do you have indications that your recommendations will be supported by Government?

Sir Donald Brydon: He does not know what my recommendations are going to be, but when they first asked me whether I would do this, in the opening discussions we had, I said I would only do it if there was some point to it. I do not want to do it and just talk the thing into the sand.

Q496 **Peter Kyle:** One of the things we have seen and been really struck by in our inquiry—this goes for those of us who sat on the Carillion inquiry as well—is the huge diversity in our private sector in this country. That is a huge strength of our economy, but provides very specific challenges for the audit industry. If you go into a small or medium-sized company, you can literally see everything. As an auditor, you can be reasonably expected to go through every single book and speak to all the people responsible for different functions. But Carillion had almost 250 subsidiaries and added up to a colossal and global FTSE 100 company. Is it possible for the same regulatory requirements to be applicable to an audit company in an instance like the Carillion audit as in a small or medium-sized company?

Sir Donald Brydon: I do not know the answer. I do know the complexity is different and the scale is completely different. What is possible and what is not possible is what I am going to try to find out. One of the issues is about the scope of audit, the breadth of companies that should be audited and the reasonable expectations for each of those groups.

Q497 **Sir Patrick McLoughlin:** Sir Donald, thank you very much for coming along to talk to us today. It has been reported that, when you were initially appointed, the Government had actually found it quite difficult to find a candidate to do this job. Is that possibly because the review is exceptionally wide? Is it going to be easily manageable?

Sir Donald Brydon: I do not know whether it was difficult. All I know is that I got one phone call, which resulted in a whole series of discussions, which resulted in my appointment. But you are right, if the substance of your question is about this being a very, very broad remit. It is, and the challenge for us will be to try to narrow it down to subjects where we can really make a difference and close this gap.

Q498 **Sir Patrick McLoughlin:** Do you have a sense at this stage as to what the main issues are that have caused a lack of trust in the audit industry? When this was announced, Carillion had happened. As Peter Kyle has just said, Carillion was a very big and complicated business. Since then, we have also had Patisserie Valerie go under. Nobody would describe that as a complicated business. Where do you see things going on this?

Sir Donald Brydon: We have to address some really fundamental questions. We have to start with what the audit is. What are we auditing? What assurance should auditors be giving to the users of accounts? At the moment, the audit is effectively a financial and controls audit, but there are other risks in companies beyond just financial and control risks. Furthermore, there is data used by the same people who use accounts that is not audited. It is a reasonable question to ask whether some of that data needs to be audited. You have a secondary question about the information the auditor is relying on in carrying on his or her audit. No matter how thoroughly they do it, there is always a risk that the processes underlying the creation of that data have not been satisfactory. There is a question about how far back into the organisation the audit needs to go.

Q499 **Sir Patrick McLoughlin:** Who is helping you draw up the terms of reference and when can we expect more on that?

Sir Donald Brydon: We will have them very shortly. We have the final draft. It just requires the last steps.

Q500 **Sir Patrick McLoughlin:** Who helped draw those terms of reference up? Is it something that has been done by the Department?

Sir Donald Brydon: It started with the Department, and then I had my input. Now we have a final draft, which requires the Secretary of State's final approval.

Q501 **Sir Patrick McLoughlin:** Has it been widely consulted on?

Sir Donald Brydon: No. The consultation will take place now, in the next phase, when we set it out. You will see the terms of reference are drawn widely enough to allow me to travel wherever the greatest anxieties are.

Q502 **Sir Patrick McLoughlin:** When you were appointed, it was said that the Government would appoint an advisory body to assist with your work.

Sir Donald Brydon: No. Sorry, I apologise for interrupting.

Sir Patrick McLoughlin: Please put me right.

Sir Donald Brydon: First, I am the reviewer. Whatever the final report says will be my views. I can set up whatever groups I want to help me do that, and I will. My intention is to set up a user-dominated group as the principal advisory body, but I also want to have two others: one drawn from the profession, so I can test out separately with auditors emerging conclusions; and a small technology group looking significantly further forward as to what the impact of technology is on all that we are doing.

Q503 **Sir Patrick McLoughlin:** Would you see those groups including the Big Four?

Sir Donald Brydon: The middle of those three groups would include the accountants.

Q504 **Sir Patrick McLoughlin:** You say the final terms of reference are with the Secretary of State at the moment and you hope they will be signed off. We are seeing the Secretary of State this week.

Sir Donald Brydon: My expectation is that they will be ready very soon.

Q505 **Sir Patrick McLoughlin:** When your review was announced, it was stated that you would be looking at whether technology and new business models might be used better to serve the public interest. What do you have in mind there?

Sir Donald Brydon: There is no doubt that the evolution of machine learning and artificial intelligence means that looking at patterns of behaviour can be done electronically in a way that could not previously be done efficiently by humans. That is one example. The second one is distributed-ledger technology, which means the veracity of data becomes absolute and is carried all the way through processes. That is going to have a fundamental effect on the accounting profession and auditing as well. One of the things we need to do is take that into account to ensure that we future-proof whatever we recommend at the end.

Q506 **Sir Patrick McLoughlin:** Aberdeen Standard Investments has suggested that non-accountants could be used to do audits. Is there merit in that?

Sir Donald Brydon: There might be. I am not an accountant, so I am perhaps biased. What is most needed is absolute common sense: a challenging, sceptical and stubborn mindset that says, "No, this is not right. We want to get to the bottom of it and will keep going on and on until we do". You do not have to be an accountant to have those attributes, but you do have to understand accounting standards, because you are going to audit within the framework of whatever the existing accounting standards are.

Q507 **Sir Patrick McLoughlin:** One of the companies I saw privately last week was telling me that, say, 10 years ago they might have been spending £10 million on cybersecurity and the like, and today that would be in the region of £240 million to £250 million per year. That brought home to me why we might have trouble having a breakthrough into those Big Four companies as to the kind of investment that is required by the company. Would you say that would be a barrier? Would that be something you are going to look at?

Sir Donald Brydon: As I said earlier, there are not only financial and control risks; cyber-risk is an absolutely obvious one. At the end of the day, if the objective is to give assurance to the users of accounts about the company they are investing in, supplying or working for, one of the things they need to know is that the cybersecurity is of a standard that is required. We cannot get perfection—we will not get 100% of everything perfect—but there is a reasonable level of assurance that all users of accounts ought to have. Cybersecurity clearly falls into that category.

Q508 **Sir Patrick McLoughlin:** You will be able to draw on somebody to give you good advice on that, because that is something that is relatively new in the field.

Sir Donald Brydon: Yes. I have never been shy of asking. It is the top item on the agenda of both the companies I chair today.

Q509 **Chair:** Sir Donald, can I just check on something you said to Sir Patrick? You have not consulted on the terms of reference. Is that right?

Sir Donald Brydon: Yes.

Q510 **Chair:** Who has seen the terms of reference so far?

Sir Donald Brydon: Nobody outside BEIS has seen them.

Q511 **Chair:** Just you and BEIS are working on them.

Sir Donald Brydon: Yes, that is correct.

Q512 **Chair:** Is the ICAEW involved?

Sir Donald Brydon: No.

Q513 **Chair:** They were the ones who originally came up with the idea of having this sort of review, but they have not been part of the discussion of the terms of reference.

Sir Donald Brydon: I understand that, but from the moment I was appointed it was clear that the terms of reference would be the ones I would agree with the Secretary of State.

Chair: Thank you. That is very helpful.

Q514 **Mark Pawsey:** I want to follow up on the terms of reference and ask where your report is going to sit in relation to the two reports that are already in hand. We have the CMA report and Kingman. I suspect, Sir Donald, that yours will be broader. One of our witnesses gave evidence last week to us, suggesting that the sequence is wrong: yours should have been first, because you have the opportunity to look at what an audit is for, whereas others have taken that as a given. Will you be looking at the purpose of audit?

Sir Donald Brydon: Yes, I will. I watched that evidence, and I noticed the rising expectations about my report as well.

Q515 **Mark Pawsey:** Do you agree that these reports are in the wrong order?

Sir Donald Brydon: We are where we are. The other work is going on. It is a fact. There is no point in trying to dig it up and reorder it.

Q516 **Mark Pawsey:** But there are recommendations coming forward. We heard from Sir John Kingman some of his proposals. Should those be put on hold pending your report? If there is a good and valid recommendation there, should that be proceeded with nonetheless?

Sir Donald Brydon: Yes. There are three different subjects being conflated in this discussion. Sir John Kingman's review is about the regulation and operation of audit; the CMA's review is about the marketplace for audit services; I am about the product. What is the audit and how can it be useful? It is possible to keep these relatively separate. I do not see any reason why any legislation or work that results from either of the other reviews needs to be held up for mine.

Q517 **Mark Pawsey:** To be clear, if there is a good recommendation from either of the other two reviews, it should be implemented immediately and the sector should not wait for your report.

Sir Donald Brydon: Absolutely, in principle.

Q518 **Mark Pawsey:** One of the observations we have made is that the Big Four are, in a very significant way, bigger than the challenger companies. Is there any other market you are familiar with where four big companies dominate in the way that happens in this sector?

Sir Donald Brydon: Yes, ratings agencies. But, again, that is not for me. That is a different subject, and I am not going to study that subject.

Q519 **Stephen Kerr:** In respect of the written evidence we have received, there is a gap between those who feel there is a real quality issue in the audits that are being conducted, particularly as 27% of those tested by the FRC were found to be wanting, and those who say that, no, audit is doing what it is supposed to do, but people just have the wrong set of expectations as to what an audit is all about. What are your initial thoughts on that?

Sir Donald Brydon: I recognise both of those descriptions. The whole purpose of my inquiry, which is literally just starting, is to understand whether either or both of those are true and how we close the gap between them in a practical way. I should not have views before I have taken any evidence. I should try to make my views evidence based. At this point, I have little doubt that there are unreasonable expectations of audit, and equally little doubt that audit is not as good as it could be.

Q520 **Stephen Kerr:** The 27% finding is evidence of that. Will your inquiry bottom out the issue of why these audits—it is only a sample, after all—of big businesses were found to be lacking in quality? Is that something you are going to bottom out?

Sir Donald Brydon: Yes, I do not want to prejudge what we are going to do, but I would like to think that at the end of it, whatever my recommendations are, they will mean there is much less chance of that figure being 27% next time.

Q521 **Stephen Kerr:** The expectations of what an audit should deliver will be absolutely crystal clear as a result of your inquiry.

Sir Donald Brydon: That would be to create the expectations gap about my inquiry that I am most worried about, but we will try.

Q522 **Stephen Kerr:** Is the expectation gap I am describing a problem within the audit profession? Is it a problem they have or is it a problem the rest of us have, the non-accountants?

Sir Donald Brydon: Audit has grown up with the profession being done in a particular way for a long time. Then it evolved and changed, and we have led the world in some of those changes in the British audit profession. It is not a bad profession. I do not start from the basis that the whole thing is rotten. But, clearly, significant improvements must be possible. I do not know whether they share the same view of the expectations gap. Putting words in their mouth, they probably feel frustrated that they think they are doing things to the best of their ability and then people expect something more from them than they were intending to deliver.

I know some people have said that is a communications problem; I think it is more than a communications problem, in the very fact that you refer to Carillion, Patisserie Valerie and so on. Undoubtedly, there are a lot of people who do not understand how the going concern audit works, for example, and how you can be a going concern at one moment and be bankrupt at another moment. That is a legitimate gap of understanding that needs to be examined and hopefully rectified.

Q523 **Stephen Kerr:** But in terms of communications there is a clear need for clarification of definition.

Sir Donald Brydon: That is correct.

Q524 **Chair:** When we had the evidence session last week with the Big Four accountancy firms and the challenger firms, one of the issues that came up was about complying with company law, especially around the capital maintenance regime. Several CEOs of the Big Four, as you will probably have seen, seemed unsure on whether it was the role of auditors to ensure that company law was applied. Both Sir John Kingman and the CMA think you should look at this. Can you confirm that you will seek to close this gap and ensure that audits report on whether companies are adhering to company law, and specifically the capital maintenance regime?

Sir Donald Brydon: I will definitely look at it and see whether we can come up with appropriate recommendations.

Q525 **Chair:** Thank you. EY's chief executive told us that auditors are not lawyers and that audits are not a full-on legal review of a company's operations, while Grant Thornton's CEO told us that they do not look at the payment practices of their clients. Do you agree with them that those are not things an audit should take an interest in?

Sir Donald Brydon: By "payments", you mean whether they are paying within 60 days or 90 days rather than whether the payments are legal or appropriate.

Chair: Yes, that is right.

Sir Donald Brydon: One of the issues we have around governance in the UK corporate sector right now is that the governance rules are shifting as we understand more and more about section 172 and our responsibilities to wider stakeholders. If we are to keep the rest of the country with us and maintain the legitimacy of business, it is necessary to respond to the mood of the people. The mood of the people is such that several ESG measures, of which those might be two, are relevant. We will have to look to see whether there is a role for the auditor in that process.

Q526 **Chair:** I absolutely agree with you on that. More consideration to section 172 would be useful for businesses, and for confidence both in individual businesses and the economic system we have today. But there is something more specific as well. I wonder whether you think an inspection of payment practices such as those that existed at Patisserie Valerie or Carillion might have alerted auditors to major underlying problems in the business and therefore alerted others to those problems as well.

Sir Donald Brydon: Yes. I do not know the specifics of either case, but it is not an impossible hypothesis. It is something we have to test.

Q527 **Chair:** This Committee would be keen for you to look at whether payment practice is something auditors should pay close attention to, partly because it is an indication of the health of the business but also because so often it is the suppliers to a business that pay the highest price when a larger business fails, especially if it has not been paying suppliers promptly. There are often months' worth of previous payments. In some cases—this was certainly the case with Carillion—they never get paid.

Sir Donald Brydon: They pay the highest financial price, but the employees often pay the highest price.

Q528 **Chair:** Yes. What we saw at Carillion, as you know from your previous roles at the London Stock Exchange and elsewhere, was that the suppliers, employees and people who have been saving for pensions at a business pay a high price. Often, although not always, they do not know the underlying health of that business and they assume that a big business that has had its accounts audited is a healthy business. In both the cases of Carillion and Patisserie Valerie, with the value of hindsight, but perhaps with the value of better audits, we might have known a little more, earlier in the process.

Q529 **Stephen Kerr:** If I may refer back to the evidence we heard last week, there were a number of surprising things said in the presentation of that evidence. One of them for me was around the issue of fraud. I will quote what Bill Michael of KPMG said. "In connection with fraud, we have an obligation under auditing standards. We are not responsible for the material detection of fraud". David Sproul of Deloitte seemed to concur with that. He said that audits were not a guarantee that fraud has not been committed. Hearing that certainly concerned me. Do you share that concern? Some of our top auditors do not feel it is part of their remit to be looking for fraud.

Sir Donald Brydon: The evidence was very interesting, because it showed the need for greater clarity. Rather than getting into which one of the accountants got it exactly right or wrong, my role will be to try to bring clarity to that area. If there is material fraud, there is no doubt that that falls inside the auditor's scope, because otherwise they cannot say the accounts are fair, reasonable and balanced. There is an issue there. Is it their job to be policemen hunting for fraud? No, probably not. Should it be? That is an interesting question. There is a whole area to open and look at around fraud. The police are charged with keeping the peace, but the peace is not always kept. Again, we have to be careful that we do not raise expectations beyond what is possible.

Q530 **Stephen Kerr:** It has been described as watchdog versus bloodhound, which is quite an interesting way of describing it. To be clear, will you be looking to see whether audits can go further in detecting material fraud and in being transparent to show they have done some checks around this?

Sir Donald Brydon: I do not know the answer to your question yet, because I want to talk to all the people involved, users and producers, to see what is possible, and then I will make some recommendations. Is the subject on the agenda? Yes.

Q531 **Chair:** Some of the witnesses to our Committee have said that auditing cannot be reformed in isolation because it depends on the quality of corporate reporting. Either in your role in chairing this review or in your previous roles, do you have sympathy with that line of argument?

Sir Donald Brydon: We are at the very boundaries of corporate governance in this discussion. Audit is a part of total corporate governance. To imagine that it is a completely isolated and independent exercise is probably fanciful. On the other hand, we have a corporate governance system in this country that is probably the envy of most of the developed world. At the moment there is a whole raft of inquiries, suggestions and proposals in the corporate governance field, and we have to be a little careful that we do not drown this successful baby. Somehow we have to find the balance to get the boundaries right, but if we do not have a successful governance system, by definition, the audit is going to be playing into an unsuccessful field.

Q532 **Chair:** Will you be looking at all at wider financial reporting as part of this review?

Sir Donald Brydon: If you are asking, "Will we look at items that are today not audited but tomorrow might be audited?" the answer would be yes.

Q533 **Chair:** Sir John Kingman and others have suggested that consideration should be given to introducing some sort of Sarbanes-Oxley regime in the UK with directors of firms having to sign off personally on the audit, for example, and a greater system of internal controls. Would that be useful? Reflecting your last answer, could you potentially mess with something that is pretty much okay?

Sir Donald Brydon: I said in my opening remarks that we need to look at the way in which the information has been produced that the auditors are then auditing. That implies the process and controls around the production of that information. Whether it is Sarbanes-Oxley, some completely different system or a different framework for checking, I do not know the answer today. I know that Sarbanes-Oxley has been rolled back in the United States not just for reasons of deregulation but because there is some evidence now showing that it has been inhibiting innovation. That is an unintended consequence we would not want. But will controls in general be relevant to my inquiry? Yes, absolutely.

Q534 **Chair:** Should directors have to take more responsibility?

Sir Donald Brydon: That is a conclusion. I would rather look at—

Chair: That will be part of the scope of this review.

Sir Donald Brydon: The initial question is this: is there anything wrong with the controls? Are there better controls that could emerge? If the answer to that turned out to be yes, the question is how you would attest to it and who would be on the hook for it. But that would be a consequence rather than a position going in.

Chair: That is fine. I just wanted to see whether it was part of the scope of this inquiry, and I think it is.

Q535 **Mark Pawsey:** Sir Donald, you have been very helpful in telling us something about the scope of your inquiry. I am trying to get a sense of how big and how detailed it is going to be, and, from that, how long the process might take. Is it going to be a very extensive inquiry? Is it one that will be shorter and sharper with some early recommendations?

Sir Donald Brydon: My instinct is that there are no instant or quick fixes in this field. This is complex, and almost every piece of it is interrelated to something else, never mind the fact that it has an international dimension as well as a domestic dimension. I suspect it is going to be quite a wide inquiry. The challenge will be to stop it becoming too wide. I recognise that there is an atmosphere and an appetite for some solutions. I would expect that I will submit a report to the Secretary of State during this year. If it takes slightly longer than that to get to the final published report, it will have to take slightly longer. But we should do the job properly.

Mark Pawsey: Sir Donald, that is very helpful. Thank you.

Q536 **Sir Patrick McLoughlin:** On the point about the term and the length of the inquiry, part of the problem will be if you come up with suggestions that require legislation, because by its very nature legislation takes a long time both to consult on and to get it through both Houses of Parliament. We have seen several highlighted issues, Carillion and others, that start alarm bells ringing. How do you see yourself approaching this? Has the Department given you a period of time in which it would expect you to have fully finished your report? I understand what you are saying: you may say things over the next 12 months that will perhaps automatically come out, but, if yours is going to be a deeper and much wider inquiry, can you tell us something about what you think the timetable and the likelihood of necessary legislation will be?

Sir Donald Brydon: I do not mean to be difficult, but I have been very careful not to answer that question to everybody who has asked it, because I simply do not know the answer yet. If you look at questions about the binary nature of audit, the dynamic nature of audit, the idea that there might be gradations in the audit opinions, how audit results are communicated and what level of communication there should be in the process of audit, and you then add in all the questions you have been asking so far—this is even before you start thinking about the international dimensions or the technology dimensions—it is unrealistic to imagine that this is going to be a very quick, short, sharp fix.

On the other hand, if we come across areas where it is easy to isolate and be clear, it would be a very helpful thing to get some runs on the board during this year for exactly the reason you say. I am motivated to do that. I do not want to make this into a life-defining piece of work.

Q537 **Sir Patrick McLoughlin:** No, I am sure not. I can well understand that. In a way, there are different industries that can be treated in different ways. There are some industries that have regulators and others that do not have regulators. Where you have regulators, you can perhaps make suggestions to them in light of evidence you have. There may be a quicker way through some of those sorts of things you find to get them implemented. I would urge you to look at that as a possibility, because that would be a way of making faster progress. If any legislation is required, I am concerned about exactly how long it will take to put that into formation, using whatever bodies you can. Perhaps you can give some thought to that during the course of your deliberations.

Sir Donald Brydon: Indeed, I will co-ordinate with the FRC on the work it is doing right now so we do not unnecessarily duplicate. If there are ways in which we can avoid having primary legislation, that would obviously be advantageous.

Q538 **Vernon Coaker:** Apologies for being late, I was held up in the Chamber. This is really building on what Stephen Kerr said about fraud. At the meeting last week we were all quite astonished when one of the witnesses said, "When we audit, we look at that", but then mentioned the term "hidden accounts". Now, I suppose you could say there is creative accounting and so on, but do you recognise the term "hidden accounts"? What does it mean? Again, for the public, there is this idea that auditors are looking at the accounts of whoever, but there is also this concept of hidden accounts. That slightly applies if HMRC chase me for a couple of pounds, as they did a year or so ago, which is quite right. I paid a couple of pounds. It was about £2.50 or something. It was £3, and this year. I think it was £3.01 that I had not paid.

Sir Donald Brydon: Does that not disqualify you? [laughter]

Vernon Coaker: No, that was not hidden. That was just something my accountant did. He said, "This is what you need to do to balance it". But I am making a serious point. There was a sense of incredulity on the Committee. Is that something you have heard of? Do you recognise it? You are looking at the future of audit. Will you look into that sort of thing?

Sir Donald Brydon: I watched that evidence session and I think the subject got out of hand. There was a hypothetical question, to which a hypothetical answer was given, and then it became a concrete answer.

Vernon Coaker: That was me, I suppose. That was my fault.

Sir Donald Brydon: It then got a little more difficult. Inside marriages, it has not been unknown for husbands or wives to have another bank account that their partner does not know about.

Vernon Coaker: You are getting into difficulty here.

Sir Donald Brydon: I am quite safe. The point is that people with mal-intent can set up a bank account with nobody else knowing. If that did happen in a company, it would be very hard for any auditor to find it unless there was a link to some other part of the company in the processes. In the auditing process, this is why understanding and having a really sceptical mind about everything they see is very important. But we are talking about 0.0001%.

Q539 **Vernon Coaker:** Yes, although it has to be said that the credibility of audit among the public, whatever the rights or wrongs of what you just said, rests on the assumption that they are seeking to ensure the accounts being presented reflect a fair and accurate picture of that organisation.

Sir Donald Brydon: Yes. That is at the very heart of this expectations gap.

Chair: Thank you very much, Sir Donald, for coming to give evidence to our Select Committee this afternoon.

Sir Donald Brydon: Thank you. I know you are working on this too. If I can help with your work in any way so we do not trip over each other, I would be delighted.

Chair: Yes, I am sure this is not the last time we will interact with you, Sir Donald. We look forward to future opportunities.

Sir Donald Brydon: Thank you.