**What’s Next for the Big Four?**

**Financial controls, audits, conflicts of interest**

Description: After some of the biggest financial scandals in history, the future of the big four accountancy firms, KPMG, PWC, EY and Deloitte are at a crossroads. CNBC’s Tom Chitty explains. The Big Four, in response to queries from CNBC, said that they have taken steps to enhance audit governance, including engaging with the Financial Reporting Council on the principles of operational separation.

*Use with:* <https://www.youtube.com/watch?v=_2lek28Mw3k>

1. What purpose do financial statements serve for investors?
2. What are financial audits and who are audits conducted by for large, publicly traded companies?
3. Why is the Big Four under scrutiny?
4. Describe how the Big Four become so big.
5. Why do critics suggest there is a conflict of interest for the Big Four?