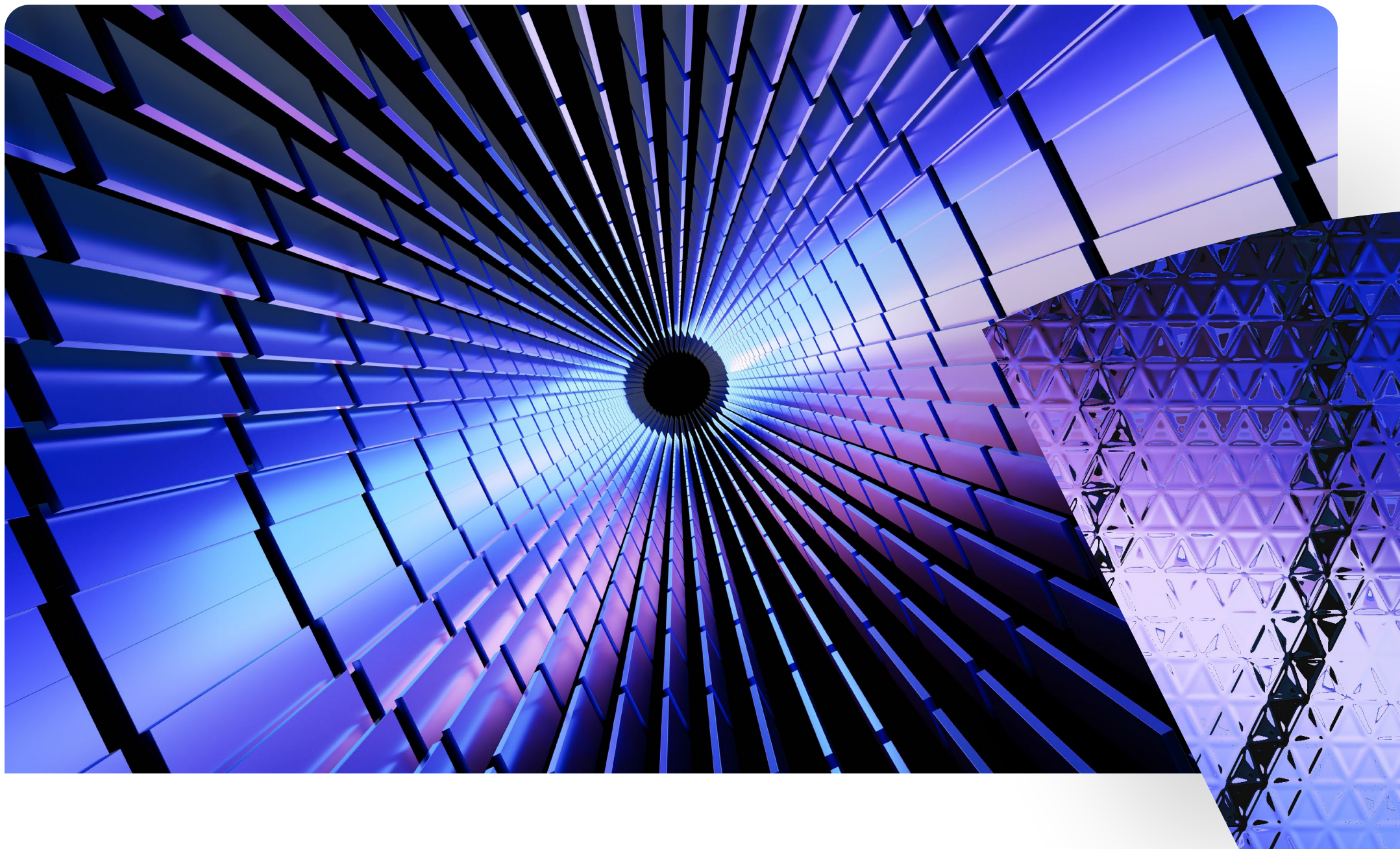


Transparency report 2026



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Introduction



Our Transparency Report for the year ended 31 May 2026 is designed to provide information about the ownership, governance and management of the Firm.

It also explains the systems and procedures we have established to support the delivery of high-quality audits and other professional services, together with the steps we take to maintain our independence and uphold the highest professional and ethical standards. Audit quality, strong governance and acting in the public interest remain central to our purpose and continue to guide the decisions we make across the Firm.

Sustainable growth

The year to 31 May 2026 was another successful period for PKF Littlejohn, with the Firm continuing to achieve sustainable growth across its service lines. Growth was reflected in our revenue and client base, as well as in the continued expansion of our partnership. This performance reflects the confidence that our clients place in us, the strength of our market position and, most importantly, the dedication and hard work of our people.

Our growth has continued to be supported by the success of our audit practice, particularly across our Corporate and Capital Markets,

Financial Services and Not-for-Profit divisions. We were pleased to maintain our position as the fourth largest auditor of London Stock Exchange listed companies and to retain our position as the leading auditor of AIM-listed companies throughout the year. These achievements are



Another strong year-on-year revenue growth



Introduced the Audit Quality Enhancement Programme (AQEP)



Undertaking our third annual 'Have your Say' survey.



Move to 30 Churchill Place in London and to 12 King Street in Leeds



Info implementation



Fourth largest auditor of LSE listed Companies



Leading Auditor of AIM Companies

particularly important to us as they reflect our continued commitment to delivering high-quality audit services in a competitive and evolving market.

Investing for the future

Alongside this growth, we have continued to invest significantly in the long-term future of the Firm. One of the most visible milestones during the year was our relocation to new premises at 30 Churchill Place. The move provides significantly enhanced facilities for our people and clients whilst maintaining our long-standing presence in Canary Wharf. The additional space supports greater collaboration across teams and provides the capacity required to support our future growth ambitions. Our move to 12 King Street in Leeds helped strengthen our growing practice across the region.

Investing in our people

Our people continue to be our greatest strength. Sustainable growth can only be achieved when supported by talented, motivated and engaged teams and we remain committed to creating an environment in which individuals can develop fulfilling and rewarding careers.

During the year we continued to recruit at all levels of the Firm and invested further in professional development, leadership

programmes and technical training. We also undertook our third annual “Have Your Say” survey, alongside our regular pulse surveys, enabling us to gain valuable feedback from our people. We were encouraged by the high level of participation and particularly pleased to see improvements across many of the key measures of engagement, training and support. The feedback received continues to shape our priorities and helps ensure that we maintain an inclusive and supportive culture in which everyone has the opportunity to develop and succeed.

Staff Numbers	2024	2025	2026
Employees	613	671	660
Contractors	56	58	65
Total	669	729	725

Investing in audit quality

Delivering high-quality audits remains our foremost objective. During the year we continued to invest heavily in audit quality, technology and innovation to support this objective.

A significant milestone during the year was the successful implementation of the Inflo audit platform across our audit practice. This

represents a major investment in the future of audit delivery at the Firm, supporting greater consistency, enhanced use of data analytics and improved audit quality through technology-enabled auditing. The implementation of Inflo forms an important part of our wider Audit Quality Enhancement Programme, which continues to drive improvements across our audit practice.

The progress achieved throughout the year is reflected in the quality indicators and outcomes presented within this report and demonstrates our continuing commitment to continuous improvement and professional excellence.

Strengthening Governance

Strong governance is fundamental to maintaining trust and supporting the long-term sustainability of our Firm.

The Audit Quality Oversight Team completed its first full year of operation, strengthening our focus on audit quality and overseeing the delivery of our Audit Quality Enhancement Programme. The Public Interest Committee likewise completed its first full year of operation, providing independent oversight and challenge on matters relating to audit quality, public interest considerations and the long-term resilience of the Firm. These developments reflect our commitment to ensuring that governance arrangements continue to evolve

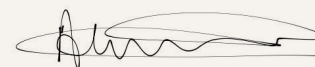
as the Firm grows and that quality remains central to our decision-making.

Together with the work of our Board, committees and oversight functions, these enhancements support our objective of maintaining a resilient and sustainable business with governance frameworks that evolve alongside the growth, scale and complexity of the Firm.

Looking forward

As we look ahead, we remain focused on continuous improvement. We will continue to invest in our people, technology, governance and audit quality initiatives while maintaining the culture and values that have underpinned our success.

We are proud of the progress achieved during the year and remain committed to delivering high-quality professional services, acting in the public interest and providing an environment in which our people can thrive and fulfil their potential.



Dominic Roberts
Managing Partner



Legal structure and ownership



PKF Littlejohn LLP is a limited liability partnership governed by the terms of its Members’ Agreement and is owned by its equity partners. On 31 May 2026 there were 20 full equity and 28 fixed equity partners.

We offer a range of services comprising business advice, audit, accountancy, internal audit, taxation (corporate and personal), corporate finance, IT consultancy, litigation support, business recovery, turnaround and insolvency services. PKF Littlejohn Canillas Limited a joint venture with PKF Canillas, is a registered auditor in Gibraltar. In addition, through its partnering arrangements with Capitalise(www.capitalise.com) and Escalate(www.escalatedisputes.co.uk), the Firm offers funding solutions and dispute resolution services for SMEs.

We have three principal active subsidiary companies:

PKF Littlejohn Advisory Limited	PKF Littlejohn Payroll Services Limited	PKF LJ South Africa (PTY)
specialises solely in business recovery, turnaround, fraud investigation and insolvency services.	provides outsourced payroll services using The Access Group as the provider of payroll services until 5 April 2026 and KLSA subsequently.	which provides the services of its employees to the firm.

The firm operates from its offices at:



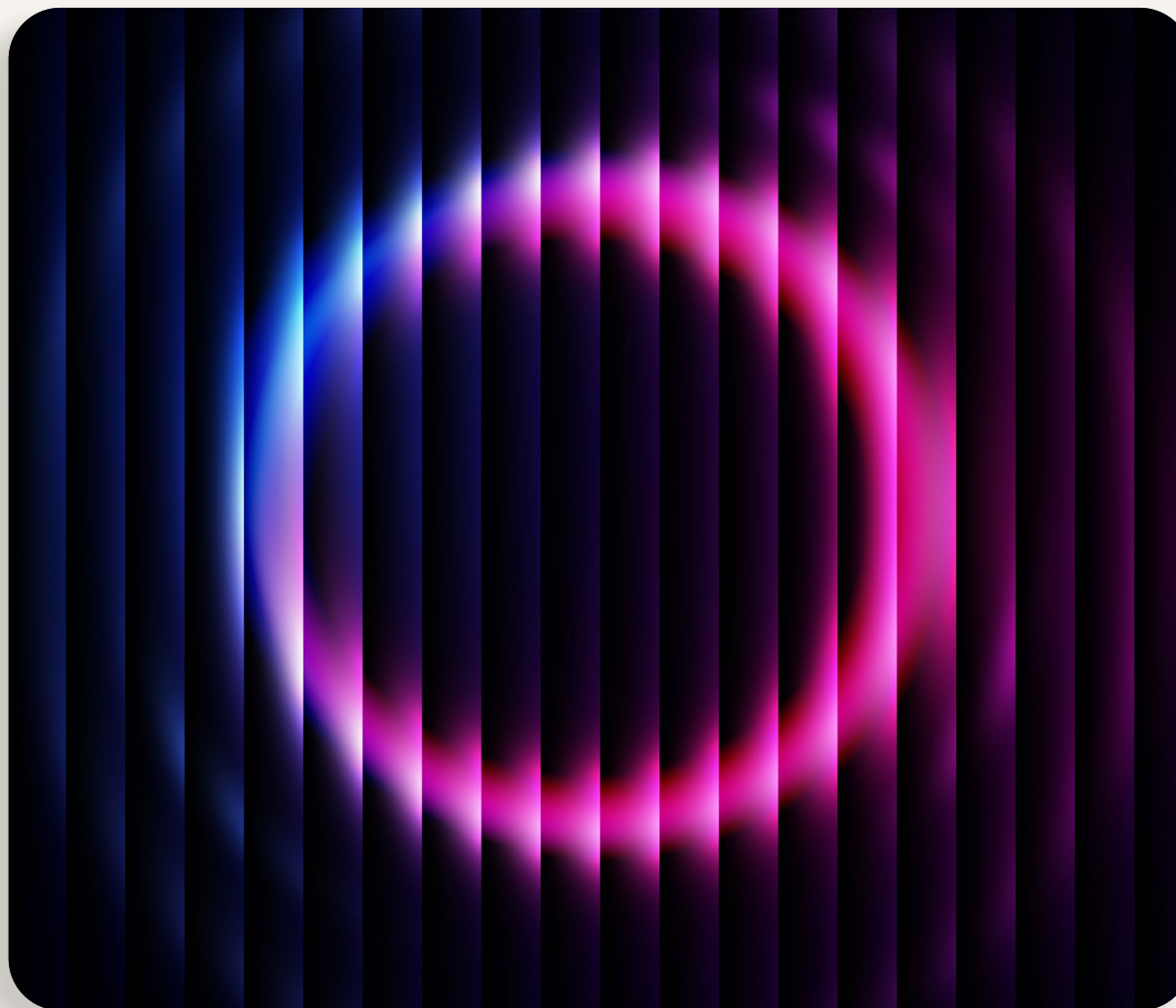
Introduction

The Firm is a member of the PKF Global (PKFG) network of legally independent Firms. The PKFG network comprises member Firms located throughout the world that provide assurance, accounting, business advisory and tax services. PKFG is also a member of the Forum of Firms, an organisation committed to promoting consistent, high-quality standards in financial reporting and auditing practices worldwide.

As a network organisation, PKFG coordinates and supports its member Firms but does not provide professional services directly and accepts no responsibility or liability for the actions or omissions of any member or correspondent Firm.

The aggregate fee income derived from the statutory audit of annual and consolidated financial statements by EU and EEA member Firms of the PKF network (excluding correspondent Firms), as reported in the compliance reporting period ended 30 June 2025, was US\$131.9million.

Further information regarding the legal structure of the network, its governance arrangements, quality management framework and member Firms is provided in Appendix 3.



The Firm is governed by a Board, concentrating on strategic matters, and reporting and accountable to the partnership as a whole. The [terms of reference for the Board](#) are available on the Firm's website. The current Board comprises a Managing Partner and Chairman who are elected by the partners and other partners appointed by the Managing Partner from time to time as well as two independent non-executive Board members appointed by the Board.

As of 31 May 2026 the Board comprised:



Ian Cowan
Chairman



Dominic Roberts
Managing Partner



Tim Herbert
Partner



Daniel Hutson
Partner



Andrew Shepherd
Independent Non-Executive



John Wallace
Independent Non-Executive

Biographical details for the members of the Board together with their length of service on the Board are provided in [Appendix 1](#).

The day to day running of the Firm is handled by the Leadership Team which is appointed by the Managing Partner. The [terms of reference for the Leadership Team](#) are available on the Firm's website. The membership of the Leadership Team consists of partners and directors who assist the Managing Partner in carrying out his business on a Firm wide level and meets on a weekly basis. Its remit covers the operation of the whole Firm and is not limited to the audit practice. The work performed by the Leadership

Team is overseen by the Board.

Details of the membership of the Leadership Team are provided in [Appendix 2](#).

The Firm's governance structure is set out in an organogram within [Appendix 1](#).

In accordance with the Firm's Board Governance Principles the Board evaluates its own processes and performance including the work of its committees annually to ensure its ongoing effectiveness. The Board also monitors the decisions and actions and performance of the Firm's management (i.e., Managing Partner and Leadership Team) including compliance with the Audit Firm Governance Code.

The performance of the Managing Partner, Chairman and other executive members of the Board is reviewed annually, the performance of the INEs is reviewed by the Chairman and Managing Partner.

The Chairman is elected by the partners for a term of 2 years whilst the other Board members including the INEs are selected by the Managing Partner subject to Board approval, for initial terms of three years with a maximum tenure of nine years in total. Future appointment of INEs will be via a recommendation of the Nomination Committee.

The Managing Partner has the authority to establish any policy, make any decision, enter into any obligation, take any action and develop any activity that will achieve the Firm's goals across both the audit and non-audit business provided that these are within a reasonable interpretation of the Reserved Matters Schedule (as amended from time to time). This authority is established within the Firm's Board Governance Principles.

All Managing Partner and Leadership Team actions and decisions are carried out in accordance with commonly accepted business practice and professional ethics and within the Reserved Matters Schedule. The Board may at any time change the authority of the Managing Partner and Leadership Team and in particular, may change the Firm's Reserved Matters Schedule other than those items reserved for partners within the Partnership Deed. The Board respect and support the Managing Partner's and Leadership Team's decisions and judgement within the proper exercise of their authority.

The Board, in its role of monitoring the decisions and actions of the Managing Partner and Leadership Team along with their performance and that of the Firm must satisfy itself that:

- the material risks, including any reputational and going concern risks, to the Firm are identified and understood, including an

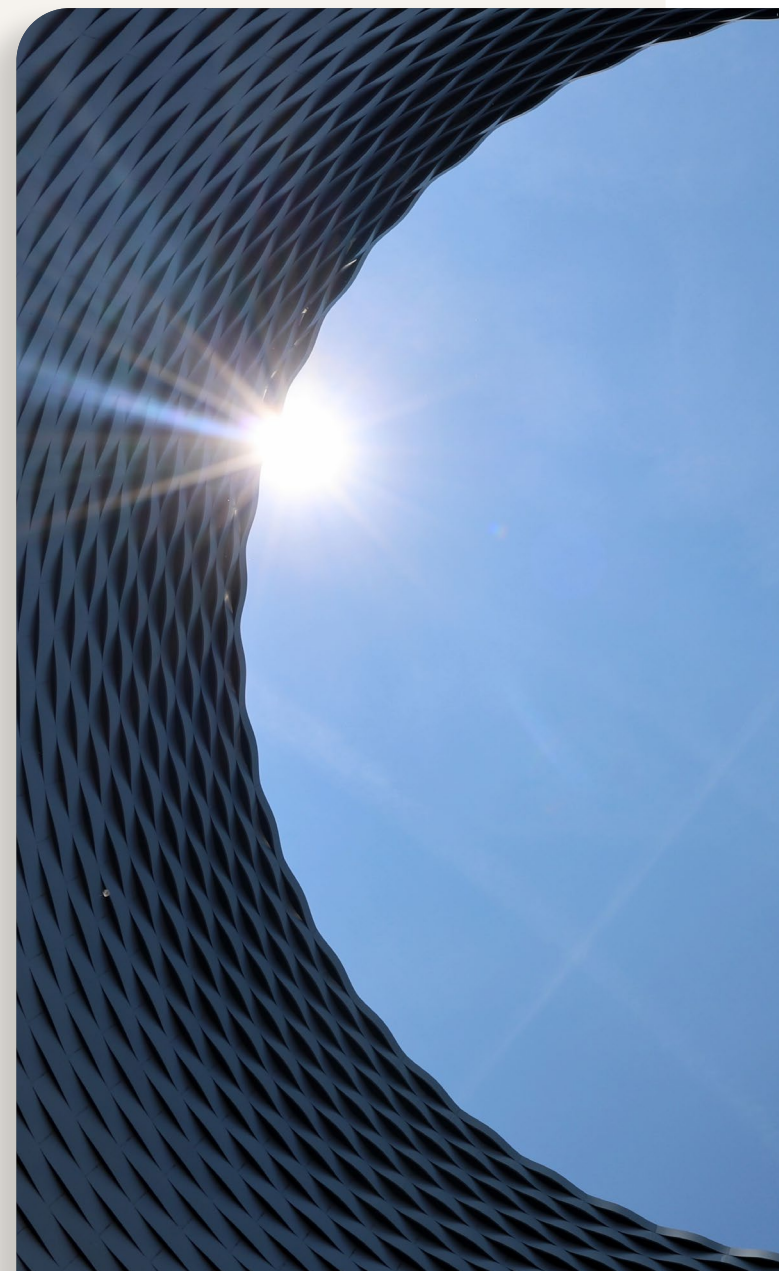
annual review of the risk register;

- systems of internal control, risk management and compliance are in place to mitigate such risks;
- its expectations for the conduct of the Firm's business and its employees are reflected in a set of values established and upheld by the Managing Partner and Leadership Team;
- all Members and staff comply with the Firm's Code of Conduct.
- Members of the Firm's governance structures including the INEs are supplied with information in a timely manner.

Our values explicitly include quality throughout.

Governance Performance and Oversight

The Board is responsible for overseeing the effectiveness of the Firm's governance arrangements and ensuring that they continue to support the delivery of high-quality professional services, the promotion of audit quality and the long-term resilience and sustainability of the Firm. As part of this responsibility, the Board receives regular reporting on a range of governance, audit quality, people and risk indicators which are used to assess the effectiveness of the Firm's system of quality management and broader governance framework.



The Board's assessment draws upon a combination of quantitative and qualitative information, including Audit Quality Indicators ("AQIs"), financial performance measures, findings arising from internal and external quality reviews, regulatory inspection outcomes, risk management reporting, people and culture indicators and compliance with the Firm's policies and procedures. These indicators are reviewed throughout the year and are used to identify emerging risks, monitor progress against strategic objectives and support continuous improvement. Detailed information regarding the Firm's AQIs and performance measures is provided within the Audit Quality Indicators section of this report.

In addition to reviewing performance indicators, the Board considers reports from its governance committees and oversight functions, including the Audit Quality Oversight Team (AQOT), Audit and Risk Committee (ARC), Public Interest Committee (PIC), Professional Standards Committee (PSC), the Ethics Function and other key control functions. These reports provide independent challenge and oversight across areas including audit quality, ethics, independence, risk management, professional standards, people and culture.

Attendance at Board and committee meetings remains an important indicator of governance effectiveness. The Board reviews participation levels, the quality of information provided to governance bodies and the effectiveness of challenge and decision-making processes as part of its annual governance assessment. Details of Board and committee attendance are provided in Appendix 1.

The Board has considered the indicators and reports presented during the year and is satisfied that the Firm's governance arrangements continue to operate effectively and support the Firm's commitment to delivering high-quality audits and professional services in the public interest. Particular consideration was given to the outcomes of internal and external quality reviews, progress against the Audit Quality Enhancement Programme, the development of the Firm's enterprise risk management framework and the continued embedding of a culture focused on quality, accountability and continuous improvement.

The Board regularly review the Firm's register of risks which threaten its business model, future performance, solvency or liquidity or the sustainability of the Firm. Matters to be included

in the register are identified by the risk owners and these are monitored by the ARC which reports into the Board.

The ARC apply a RAG rating scheme, using their specialist knowledge based on their views of the likelihood of such a risk taking place and the severity of the impact of that event. Based upon the application of the risk matrix, those with the highest combined impact are considered to be the principal risks to the Firm.



In addition the Board discuss matters in relation to expectations for the conduct of the Firm's business and its employees as represented by the Firm's Values and [Code of Conduct](#) which is available on the Firm's website. Embedded throughout our values is the commitment to quality and standards and accordingly the Board is satisfied that the Firm continues to ensure quality of service (including specifically audit quality) is explicitly part of our culture.

Partner remuneration

Fixed and full equity partners receive a fixed share of the profits as a first charge on the overall profits of the Firm. The second charge on the Firm's profit is the award of bonuses both to fixed and full equity partners. The amount of any bonus awarded is assessed by a remuneration committee, and ultimately approved by the equity partners. The remuneration committee is not a sub-committee of the Board, its members are appointed by the partners directly through a biannual partner vote. The Managing Partner and Chairman are also appointed to sit on the committee.

Any residual profit is then allocated to the full equity partners based on their profit share. The fixed share of profits and the full equity partners profit shares are reviewed on an annual basis by the remuneration committee. The assessment

takes into account partners' performance assessed against criteria covering technical performance, technical ability, client service, behaviours, working capital management and management responsibilities.

The weighting attributed to these factors varies according to the circumstances of individual

partners and the needs of the Firm determined by management from time to time.

Two of the four areas captured in the assessment of an audit partner's performance are focused on achieving audit quality. Audit partners are not incentivised through the process to gain non-audit work from audit clients.



Financial information (Group)



The following information has been extracted from the unaudited financial statements for the year ended 31 May 2026, demonstrating the importance of statutory audit work to the overall results of the Firm.

The Firm achieved a strong set of financial results for the year ended 31 May 2026. The Board remain cautiously optimistic about the strength and resilience of the Firm's business model over the coming year.

A list of the Public Interest Entities in respect on which PKF Littlejohn LLP issued a statutory audit opinion in the year ended 31 May 2026 is set out in **Appendix 4**.



	Year ended (£m)		
	31 May 2024 (audited)	31 May 2025 (audited)	31 May 2026 (unaudited)
Statutory audit fees of Public Interest Entities (PIEs)	6.7	7.3	7.9
Statutory audit fees of other audit clients	48.7	58.0	57.3
Fees for non-audit services to audit clients	9.0	7.9	10.2
Fees for non-audit services to non audit clients	21.9	22.7	25.6
Total revenue	86.3	95.9	101.0

System of quality management



The Firm's system of quality management was established to comply with the requirements of the International Standard of Quality Management (ISQM 1) which came into effect on 15 December 2022.

ISQM 1 applies to Firms that perform audits, reviews of financial statements and other assurance/related service engagements. The standard requires the Firm to design, implement and operate a system of quality management (SOQM) which covers all aspect of the work of the Firm.

The Firm developed its SOQM through a series of workshops involving subject matter experts to identify the quality objectives, the quality risks and responses to those risks to ensure it provides reasonable assurance to meet the requirements of ISQM 1.

The fundamental response to the quality risks lies within the Firm's policies and procedures which are set out in Professional Standard Notes (PSNs) developed by the Professional Standards Committee of the Firm (PSC). In respect of audit and assurance engagements, the Firm uses proprietary audit programmes which have been developed with the Firm's own programmes for specialist audits, including the statutory audits of PIEs.

Responsibility and accountability for the effective operation of the SOQM lies with the Managing Partner (Dominic Roberts) as is required by the Standard. Operational responsibility for the SOQM was held by Chris Riley (Partner, Chair of the PSC and member of the Leadership Team) and by Rochelle Duffy (a partner who heads the Technical Department of the Firm) with elements of the SOQM allocated according to their areas of expertise and experience. Responsibility for compliance with independence requirements lies with Tim Herbert, (the Ethics Partner and a member of the Board). Rochelle Duffy has responsibility for the monitoring and remediation process.

Annual Evaluation of the SOQM

ISQM 1 requires that an annual evaluation of the SOQM is undertaken. The evaluation for the year was conducted based on an "as of date" of 30 September 2025, and was concluded on 28 November 2025. The conclusion was that "The system of quality management provides the Firm with reasonable assurance that the objectives of the system of quality management are being achieved".

This conclusion was reached on the basis that although some deficiencies were identified in the operation of the SOQM in the year, and at the evaluation date, it was not concluded that they were severe in nature. These included primarily

matters in the ethical component, being the timely completion, documentation and communication of several required independence processes. The deficiencies in these areas were not considered individually or collectively severe or pervasive as they were limited in number in the context of the Firm as a whole, and had not given rise to circumstances that compromised the Firm's independence. Steps were taken subsequent to the evaluation to remedy these aspects.

In the previous year's evaluation, a severe deficiency had been identified in respect of the Service Providers component. Significant work was undertaken in 2025 to improve outcomes in this area, however a non-severe deficiency was recognised in respect of the documentation and support that individual service providers that the firm engaged, were suitable.

The next Annual Evaluation is to be performed at an "as of" date of 30 September 2026, with conclusions to be drawn by 30 November 2026. The Firm will consider based on the conclusions there how to communicate these conclusions to relevant stakeholders in advance of the 2026 compliance report.

The FRC conducted their annual inspection of the Firm's compliance with the requirements of ISQM 1 in the year. The inspection focussed on the Annual Evaluation, Risk Assessment and

Monitoring and Remediation and Governance and Leadership components (which are inspected annually) and the Human Resources and Acceptance and Continuance components (inspected rotationally). The FRC Inspection highlighted a number of areas of improvements needed and the Firm is developing an action plan to be agreed with the FRC for the Firm to address these areas in the coming months. The timing of the FRC review cycle has been adjusted, and their findings on the current SOQM year should be concluded by 30 April 2027.

PKF Global performed a cyclical inspection on the Firm's SOQM in 2026 with focus on the SOQM year ended 30 September 2025. A weakness was identified in respect of the provision of documentation to the network at the time of conclusion of the Annual Evaluation, but this was not assessed as a deficiency. There were no other findings.

QC 1000

For PCAOB engagements undertaken by the Firm, the PCAOB's quality control standard, QC 1000 A Firm's System of Quality Control is due to become effective from 15 December 2026. The standard introduces a risk-based approach to quality management and the Firm considers its existing ISQM 1 System of Quality Management to

provide a strong foundation for implementation, reflecting the significant alignment between the two standards.

During the year, the Firm continued its assessment of the existing SOQM against the requirements of QC 1000 to identify any areas requiring enhancement and to implement any additional quality management responses necessary to address the standard's specific requirements. Any necessary refinements identified are being incorporated into the Firm's ongoing quality management activities.

Professional Standards Committee

During the year the membership of the Professional Standards Committee (PSC) was as follows:



Chris Riley
Partner (Chair of PSC)



Daniel Hutson
Partner



Imogen Massey
Partner
(joined the PSC during the year)



Rochelle Duffy
Partner & Head of Technical



Satya Beekarry
Partner



Dominic Roberts
Managing Partner
(stepped down from the PSC during the year)



David Thompson
Partner
(stepped down from the PSC during the year)

Professional standards and procedures are set by the PSC. The PSC is not a sub-committee of the Board, it reports directly to the Public Interest Committee, which is itself a sub-Committee of the Board. To avoid the possibility of management override, the PSC has whistle blowing responsibilities both to the Board and the overall partnership. The firm has also appointed audit compliance, ethics, money laundering, investment business and practice assurance partners who report directly to the Managing Partner but who also report to the PSC as appropriate on the Firm's compliance with those areas which they are responsible for.

The PSC operates primarily by publishing internal Professional Standard Notes (PSNs), which set out the standards that the Firm must meet in order to comply with ISQM 1 and other professional standards. The PSC also monitors compliance and receives reports from the monitoring of quality (see below) and makes recommendations for improvement to the Public Interest Committee. Responsibility for implementing the Firm's professional standards lies with the Leadership Team.

Audit and Risk Committee

The Audit and Risk Committee (ARC) is a sub-committee of the Board, its terms of reference and a description of its work and how it has discharged its duties are available on the Firm's [website](#).

The overarching role of the Audit and Risk Committee is to oversee the Firm's system of internal control and risk management and review the independence and effectiveness of the external auditors.

ARC members, including the Chairperson, are appointed (and may be removed) by the Board based on the respective experience and knowledge of risk management, finance, audit and governance matters of those individuals. There are a minimum of three members of the ARC with at least one Independent Non-Executive (INE) appointed.

Appointments will be for a period of up to three years at the end of that period reappointment for two further periods of up to three years is permitted. The Board may terminate the membership of an individual with immediate effect as may a member terminate their own membership.

During the year the membership of the ARC was as follows:



Tim Herbert
Partner (Chairperson of ARC)



Andrew Shepherd
Independent Non-Executive



John Wallace
Independent Non-Executive

The responsibilities of the ARC are set out in the terms of reference and include:

- monitoring and reviewing the effectiveness of the Firm's systems of internal control and risk management; and
- responding to any material internal control

aspects of any significant problems disclosed in the financial statements or management commentary of the Firm. (No such matters have been identified in the reporting period.)

During the year, the ARC monitored the Firm's risk register and met with individual Risk Owners and, as appropriate for the specific risk or control being reviewed, other personnel with relevant expertise, to assess how the identified risks and controls were being managed within that area of the Firm and confirming necessary paths to mitigate them where appropriate. The ARC also actively engaged with other senior leaders, and governance functions receiving updates relevant to the risk register, which enabled them to monitor risks and controls and identify emerging risks and areas for improvement.

The Firm's risk management policy is detailed within a separate Risk Management Policy and is accompanied by a digitalised risk reporting form for the identification and reporting of risks by all personnel. The digital risk register is maintained on a third party specialist designed online platform, which retains details on all emerging and identified risks of the Firm, all of which are allocated a risk owner. The risk owner takes responsibility for the content contained within the risk management system (RMS) in respect of their allocated risks, including the provision

of details on controls in place to mitigate risks. Risk owners meet regularly with members of the Firm's risk function to discuss their risks and updates to risks are reported to the ARC. Key risk indicators are monitored and reported to the ARC as appropriate.

The Audit Quality and Oversight Team

The AQOT was established to oversee all matters relating to audit quality across the Firm.

AQOT members including the Chairperson, are appointed by the Managing Partner who has delegated authority from the Board. It's members include a Chairperson (required to be a PIE Registered Audit Partner), the Managing Partner, The Audit Compliance Partner (ACP), the Head of Technical, and at least three members are required to be Audit responsible individuals (of which a minimum of 2 are Public Interest Entity Responsible individuals).

During the year the membership of the Audit Quality and Oversight Team (AQOT) was as follows:



James Wilkinson
Partner (Chair of AQOT) &
Audit Compliance Partner



Dominic Roberts
Managing Partner



Hannes Verwey
Partner



Imogen Massey
Partner (stepped down from
AQOT during the year)



Karen Egan
Partner (joined AQOT
during the year)



Rochelle Duffy
Partner & Head of Technical



David Thompson
Partner (stepped down
from AQOT during the year)

The AQOT's primary duties and responsibilities are set out in the terms of reference:

- providing oversight of the audit practice with a focus on the continuous improvement of audit quality by ensuring that people in the audit practice are focused above all on delivery of high-quality audits in the public interest.
- promoting a culture supportive of the public interest alongside management of the audit practice.

During the year AQOT continued to meet monthly and maintained regular reporting to the PIC on audit quality matters, regulatory developments and progress against strategic audit quality initiatives.



Audit Quality Enhancement Programme

A significant focus of AQOT during the year was the oversight and delivery of the Firm's Audit Quality Enhancement Programme ("AQEP"), a multi-year programme established to strengthen the Firm's system of quality management and support the delivery of high-quality audits, particularly in respect of Public Interest Entities. The AQEP is structured around four strategic pillars:



Audit Execution & Technical Excellence



People, Culture & Capability



Innovation & Digital Enablement



Public Trust & Governance

The programme is designed to be dynamic and responsive to regulatory findings, internal monitoring results, root cause analysis and emerging risks, ensuring that audit quality initiatives remain focused on the areas of greatest importance to audit quality and the public interest.

AQOT is responsible for monitoring delivery of the AQEP, challenging progress against agreed milestones and reporting progress to the PIC and other governance bodies as appropriate.

During the year AQOT enhanced its oversight through the development of structured reporting and monitoring, including the use of dashboards and project management disciplines to track implementation and effectiveness of AQEP initiatives.

Key Activities During the Year

During the year AQOT oversaw a broad range of initiatives designed to enhance audit quality and strengthen the Firm's governance and monitoring framework.

Progress and Impact

AQOT has continued to monitor the implementation and embedding of AQEP initiatives and has observed encouraging progress during the year. By May 2026, the number of AQEP actions had reduced significantly as delivery discipline developed and a number of major workstreams progressed towards completion. High-priority initiatives, including PCAOB activities and audit quality governance enhancements, were substantially advanced.

While AQOT recognises that many initiatives remain in the implementation and embedding phase, early indicators demonstrate strengthened governance, increased oversight of higher-risk engagements, enhanced monitoring and follow-up of quality findings and greater consistency in certain audit procedures through technology-enabled solutions. AQOT expects the benefits of these initiatives to continue to emerge as implementation becomes embedded across audit teams and future audit cycles are completed.

Looking Forward

AQOT remains focused on the continued delivery of the AQEP and the ongoing enhancement of the Firm's system of quality management. Priorities for the coming year include completing remaining AQEP workstreams that are due to be finalised in 2027, embedding implemented changes across audit teams, strengthening the linkage between audit quality initiatives and measurable quality outcomes, and continuing to promote a culture of challenge, accountability and continuous improvement. Through these activities AQOT will continue to support the Firm's commitment to performing high-quality audits in the public interest and maintaining public confidence in the audit profession.

Audit Quality Indicators

The Firm monitors a range of Audit Quality Indicators and broader performance measures aligned to the four pillars of the Audit Quality Enhancement Programme: Audit Execution & Technical Excellence, People, Culture & Capability, Innovation & Digital Enablement, and Public Trust & Governance. These indicators support the Board, the Audit Quality Oversight Team, the Public Interest Committee and management in assessing the effectiveness of the Firm's system of quality management, monitoring progress against strategic objectives and identifying areas for continuous improvement.

While no single measure can fully capture audit quality, the Board considers the indicators below, together with findings arising from internal and external reviews, regulatory inspections, root cause analysis, engagement performance and feedback from our people, when assessing audit quality across the Firm. The indicators monitored have been measured as part of the wider development of the AQEP which was implemented during the year, accordingly comparatives are not included.

Measuring Success

The Board does not assess audit quality through any single metric. Instead, it considers a balanced range of quantitative and qualitative indicators, alongside the results of internal monitoring, external inspections, root cause analyses, engagement performance reviews, people metrics and feedback from stakeholders.

Taken together, these indicators provide the Board, AQOT and PIC with a comprehensive view of the effectiveness of the Firm's system of quality management and support the Firm's commitment to delivering consistently high-quality audits in the public interest.





Audit Execution and Technical Excellence

AQOT continued to oversee the Firm-wide implementation of the Inflo audit platform and associated methodology enhancements, supporting greater consistency in audit documentation, planning and the use of data analytics. The Committee also monitored the implementation of PCAOB-specific templates and audit workflows and oversaw the Firm's programme in response to prior PCAOB inspection findings.

The Committee also sponsored projects aimed at strengthening technical guidance and methodology in recurring areas of audit challenge, developing sector-specific tools and templates, and establishing plans for a consolidated Firm audit manual to support consistency across audit teams.

Key Indicators

- **81%** of Responsible Individuals were included within the internal quality review during the year.
- **94%** of audit files reviewed internally required no major improvement, exceeding the Firm's quality benchmark.
- **88%** of audit files reviewed internally achieved a rating of no improvement or limited improvement required.
- External quality reviews completed by the QAD during the year identified **75%** of reviewed files as Good or Generally Acceptable.
- Audit partners and Responsible Individuals accounted for approximately **5%** of total audit hours, demonstrating active leadership involvement in engagements.

- Mandatory audit quality training completion rates ranged from **92%** to **98%**.
- **100%** of significant quality findings were subject to formal root cause analysis and remediation planning.

These measures, together with the results of internal monitoring, external inspections and engagement-level quality reviews, provide the Board with confidence that audit quality remains central to the Firm's decision-making and culture. Whilst external inspection outcomes from the QAD remained generally satisfactory, the results were below the Firm's internal monitoring outcomes and quality benchmarks. The findings have therefore been incorporated into associated remediation activities.



People, Culture and Capability

Recognising that audit quality is delivered through people, AQOT established a number of initiatives designed to strengthen audit culture and embed accountability. During the year work commenced on the development of a Partner Competency and Expectations Framework, the promotion of a culture of challenge and professional scepticism, and the enhancement of performance management processes through the future development of audit quality indicators and expectations frameworks. These initiatives are intended to reinforce the Firm's values, support professional scepticism and align individual performance objectives with audit quality outcomes.

AQOT also continued to oversee training needs arising from internal and external quality reviews and monitored emerging themes requiring additional technical support, guidance and communication to engagement teams.

The Firm recognises that sustainable audit quality is delivered through its people. Maintaining a culture that promotes challenge, learning, accountability and professional scepticism is therefore a core component of our quality management framework.

Key Indicators

The Board places significant emphasis on these measures as leading indicators of future audit quality. The responses to our annual Have Your Say survey are included on page 33, together with engagement across the Firm, continue to provide valuable insight into areas of strength and opportunities for further improvement.



Innovation and Digital Enablement

AQOT continued to support the Firm's investment in technology to enhance audit quality and efficiency. During the year this included oversight of the ongoing deployment and embedding of Inflo, progress in the use of automation for non-complex audit procedures and the evaluation of future technologies, including artificial intelligence and automation tools. AQOT also oversaw development work relating to enhanced project management and audit monitoring tools intended to improve visibility of engagement progress and audit risk.

Technology continues to play an increasingly important role in supporting audit quality, consistency and risk identification. During the year the Firm completed the implementation of the Inflo audit platform across the audit practice and continued to develop digital tools supporting engagement delivery and quality monitoring.

Areas Monitored

- Adoption and utilisation of the Inflo audit platform.
- Audit engagement use of data analytics.
- Audit staff training and competency in digital audit technologies.
- Deployment of audit automation solutions.

AQOT receives regular reporting on these initiatives and monitors whether investments in technology are supporting improvements in audit execution, consistency and efficiency.



Public Trust and Governance

AQOT continued to strengthen governance and monitoring arrangements across the audit practice. Key activities included:

- Oversight of the in-flight review programme for higher-risk audit engagements, enabling matters to be identified and addressed in real time.
- Continued development of audit quality divisional teams and clarification of their roles, responsibilities and performance measures.
- Enhancements to cold file review processes, including targeted reviews, sample-based follow-up procedures and the development of additional review programmes for industry specific engagements.

- Working with the PIC and other governance functions to enhance reporting, accountability and oversight of the Firm's system of quality management.

Strong governance and effective oversight remain fundamental to promoting audit quality and maintaining public confidence in the Firm. The Board, AQOT, Public Interest Committee, Audit and Risk Committee and Professional Standards Committee all contribute to the Firm's governance framework and quality objectives.

Areas Monitored

- Delivery of AQEP initiatives and strategic audit quality projects.
- AQOT meeting effectiveness and attendance.

- Public Interest Committee reporting and challenge activities.
- Coverage of in-flight reviews on higher-risk engagements.
- Progress against audit quality action plans.
- Regulatory inspection outcomes and remediation activities.
- Delivery of divisional audit quality objectives.

The Board considers these indicators alongside reports received from the Firm's governance bodies when assessing the effectiveness of the Firm's overall governance framework and its commitment to acting in the public interest.

Details of Board and committee attendance at various Governance Committees are provided in Appendix 1.

Public Interest Committee

The Public Interest Committee's (PIC) principle objectives are set out in the terms of reference:

- to promote audit quality with the Firm;
- to ensure the Firm takes account of the public interest in its decision-making, particularly in audit; and
- to ensure that the Firm is safeguarding the sustainability and resilience of the audit practice and the Firm as a whole.

The PIC is a sub-committee of the Board, its terms of reference and a description of its work and how it has discharged its duties are available on the Firm's [website](#).

The PIC members, including the Chairperson, are appointed (and may be removed) by the Board, based on the respective experience and knowledge of risk management, finance, audit and governance matters of those individuals.

There will be a minimum of three members of the PIC with the majority of the Members and the Chairperson being Independent Non-Executive Board members (INEs). The meetings include the members of the PIC and have standing invitations for the Managing Partner and the Chair of AQOT to attend.

From inception the membership of the PIC was as follows:



Andrew Shepherd
Independent Non-Executive
(Chair of the PIC)



John Wallace
Independent Non-Executive



Daniel Hutson
Partner

Prior to the establishment of the PIC, the INEs undertook this role and reported to the Board, but there was not a separate governing body.

Independent Non-Executives

The INEs are independent from the Firm and its members and are initially appointed to serve a term of three years with a maximum tenure of nine years in total.

Future prospective INEs are proposed by the Nominations Committee for appointment to the Board by the members following a formal, rigorous and transparent procedure.

INEs comply with the policies and procedures of the Firm including the completion of an annual fit and proper declaration by the INEs of their independence, confirmation of freedom from conflicts of interest and that they hold no prohibited investments on the same basis as partners and staff of the Firm. The Board undertakes an annual assessment of the independence of the INEs. The assessment considers declarations of interests, business and personal relationships, potential conflicts of interest, tenure, remuneration arrangements and any other matters that could reasonably be perceived to impair independence. The Board also confirms annually that INEs hold no equity interest in the Firm and that their remuneration is not linked to the Firm's financial performance.

Following its review during the year, the Board concluded that each INE remained independent in character and judgement and that no relationships or circumstances existed which could impair, or be perceived to impair, their ability to exercise objective oversight and challenge.

INEs are paid fees determined by the Board.

The fee is not based on the performance or profitability of the Firm and the INEs do not have any equity interest in the Firm. The fee determined by the Board takes into account the time requirement for the INEs to fulfil their duties effectively and market conditions.

The duties of the INEs are set out in a formal contract and job specification which include oversight of the Firm's policies and processes and in particular those related to:

-  Promoting audit quality
-  Helping the Firm secure its reputation more broadly including in our non-audit businesses
-  Reducing the risk of Firm failure

Reviews conducted by the INEs are designed to cover all material controls, including financial, operational and compliance controls and risk management systems as well as the promotion

of an appropriate culture underpinned by sound values and behaviour within the Firm.

In order to perform this role, in addition to attending Board and partner meetings, the INEs have the right of access to relevant information and people within the Firm. The INEs have regular contact with the Ethics Partner and the Professional Standards Committee including involvement in scheduled and ad hoc meetings. The INEs play a part in reviewing the effectiveness of the Firm's systems of internal control and as such are members of the Firm's Audit and Risk Committee.

The Firm has in place policies and procedures for managing its partners and staff which support its commitment to the professionalism, openness and risk management principles set out in the Audit Firm Governance Code (AFGC). In order to review these people management policies and procedures as they apply to the staff, the INEs interact with the Human Resources Department and, for partners, the INEs also review the recommendations made by the Firm's Remuneration Committee.

As Independent members of the Board, the INEs provide a truly independent channel of communication for all partners and members of staff and as such are responsible for the whistleblowing process and are the first port of call for any whistle-blowers.

The Audit Firm Governance Code requires a minimum of three INEs or an explanation in the Transparency Report where a Firm considers having three INEs is unnecessary given its size. The Firm's Board Governance Principles state that the Board should be of a size which enables the full engagement of all the Board members and a minimum of six members including the INEs. In light of the size of the Firm and the number of public company audits undertaken the Board considers that it is appropriate to have two INEs as members of the Board. The Board has also confirmed that a third appointment will be made when the Firm has been appointed as statutory auditor for an appropriate number and size of public company entities or has grown to such a size and complexity whereby a third member would be appropriate. This position is reviewed on a regular basis by the Board.

A report from the Public Interest Committee Chair

I am pleased to present this year's report of the Public Interest Committee (PIC).

The PIC comprises two Independent Non-Executives (INEs) and one partner: John Wallace (INE), Andrew Shepherd (INE), and Dan Hutson (Partner). As INEs, we do not hold voting rights and are not responsible for the Firm's strategy or financial performance. Our role is to provide independent oversight, constructive challenge, and counsel from a public interest perspective.

The PIC met on seven occasions during the reporting period.

PIC activities

Our activities are aligned to the principles set out in the Audit Firm Governance Code (AFGC). This report explains how we have fulfilled our responsibilities in overseeing audit quality and supporting effective governance across the wider business throughout the year.

We have exercised our unrestricted right of access to relevant information, personnel, and governance forums within the Firm to discharge our responsibilities effectively. This has included attending Board and partner meetings, providing opportunities to observe, understand, and, where appropriate, challenge aspects of the Firm's operations and decision-making.

A formal protocol exists to manage any disagreement between an INE and a member of the Board or Leadership Team. Where such a disagreement arises, the Chair is responsible for seeking resolution. Should the disagreement involve the Chair, responsibility passes to the Managing Partner. If resolution cannot be achieved and an INE subsequently resigns, the matter would be disclosed in the Firm's Transparency Report. We confirm that no such disagreements arose during the reporting period.

In addition to attending and contributing to Board, PIC, and Audit & Risk Committee meetings, the INEs met regularly with members of key governance and oversight functions, including:

-  Head of Audit Quality Oversight Team (AQOT)
-  Practice Assurance Partner
-  Head of Technical and Compliance
-  Chair of the Professional Standards Committee (PSC)
-  Qualified Person Responsible for Training
-  Managing Partner
-  Remuneration Committee
-  Money Laundering Compliance Partner
-  Chair of the Board
-  Audit Compliance Partner
-  Ethics Partner

We also met with a broad range of partners, staff, and service leaders, including the IT Director, Human Resources Director, Head of Technology, and Chief Financial Officer (CFO). These discussions provide valuable insight into the Firm's operations, culture, and strategic priorities, enabling us to perform our oversight role effectively and raise matters or provide challenge to the Board and leadership where appropriate.



Promoting audit quality

Audit quality remains a central focus for the Board, Leadership Team, PIC, and INEs.

To support continuous improvement, we hold regular meetings ahead of each Board meeting with the Chair of AQOT, the Chair of the PSC, and the Head of Technical and Compliance. These meetings enable us to:

- Understand findings arising from internal and external quality reviews.
- Review reports concerning ethical matters and professional standards.
- Monitor the Audit Quality Enhancement Plan (AQEP) and progress against actions designed to strengthen audit quality.
- Observe the Firm's approach to technical and compliance training, ensuring partners and staff remain informed of evolving audit standards and regulatory requirements.
- Review the Firm's assessment of compliance with International Standard on Quality Management 1 (ISQM 1), and challenge leadership regarding progress against established quality objectives.

John Wallace serves as the INE with responsibility for people engagement. We monitor the adequacy, capability, and experience of the Firm's people and challenge the Board to

ensure that sufficient resources are available to deliver high-quality audits.

Our attendance at Board meetings, together with our engagement with partners and staff across the Firm, has enabled us to assess both the effectiveness of the tone from the top and the implementation of the Firm's quality strategy. Based on our observations, we are satisfied that audit quality is clearly understood, prioritised, and valued throughout the Firm.

Securing the Firm's reputation

The Board and Leadership Team place significant emphasis on protecting and enhancing the Firm's reputation. This commitment is reflected in the remit of the Audit & Risk Committee and embedded within the Firm's risk management framework.

We oversee the management of reputational risk through regular review of the Firm's Risk Register and associated risk management processes. To remain informed of matters that could affect the Firm's reputation, we review reports from the Ethics Partner and the Chair of the PSC covering ethical issues, litigation and claims, reputational matters, and whistleblowing activity.

As INEs, we have also sought assurance that effective whistleblowing arrangements remain

in place. We continue to oversee the Firm's dedicated whistleblowing communication channel and are satisfied that appropriate mechanisms exist for concerns to be raised and addressed.

Reducing the risk of failure

Within our remit, we pay close attention to both existing and emerging risks facing the Firm and to the effectiveness of actions taken to mitigate those risks. As active members of the Audit & Risk Committee, we contribute to the identification of risk and monitor the Firm's response to significant threats and opportunities.

During the year, we considered a wide range of matters, including the following:

- We supported the implementation of the Firm's strategic objective to significantly increase resources dedicated to strengthening its culture of quality.
- We maintained regular engagement with the CFO, reviewing management accounts, budgets, and key assumptions underpinning financial planning. We also participated in discussions regarding financial performance at Board meetings, contributed to the briefing of the Firm's external auditors, and attended post-audit review meetings.
- We observed the Firm's continued focus on attracting, developing, and retaining talented

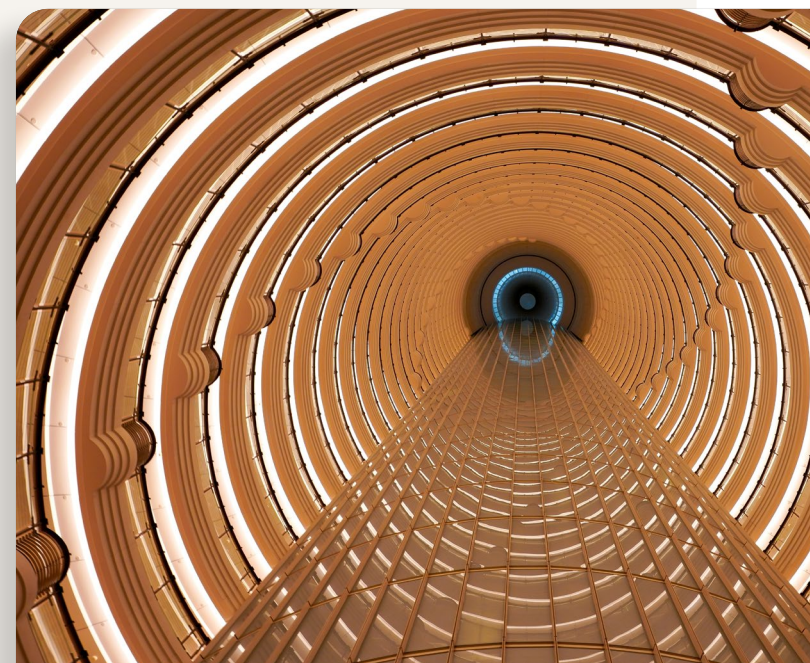
people. The Board and Leadership Team have increased their emphasis on embedding a culture of quality across all service lines. Through meetings with staff at different levels of seniority, we have gained direct insight into the practical impact of these initiatives. We have also remained actively engaged with the work of the Remuneration Committee.

- As members of the Audit & Risk Committee, we reviewed risks that could affect the Firm's business model, future performance, solvency, liquidity, or long-term sustainability. During the reporting period, we observed the Board strengthen its oversight of risk management through enhanced monitoring of the Enterprise Risk Management System (ERMS) and increased engagement with risk owners throughout the Firm. We also observed Board discussions concerning expectations for professional conduct and behaviour, as reflected in the Firm's Values and Code of Conduct.
- We contributed to succession planning discussions relating to the Board, key officers, and the INE positions.
- We reviewed correspondence between the Firm and the Financial Reporting Council (FRC), together with reports arising from external inspections.

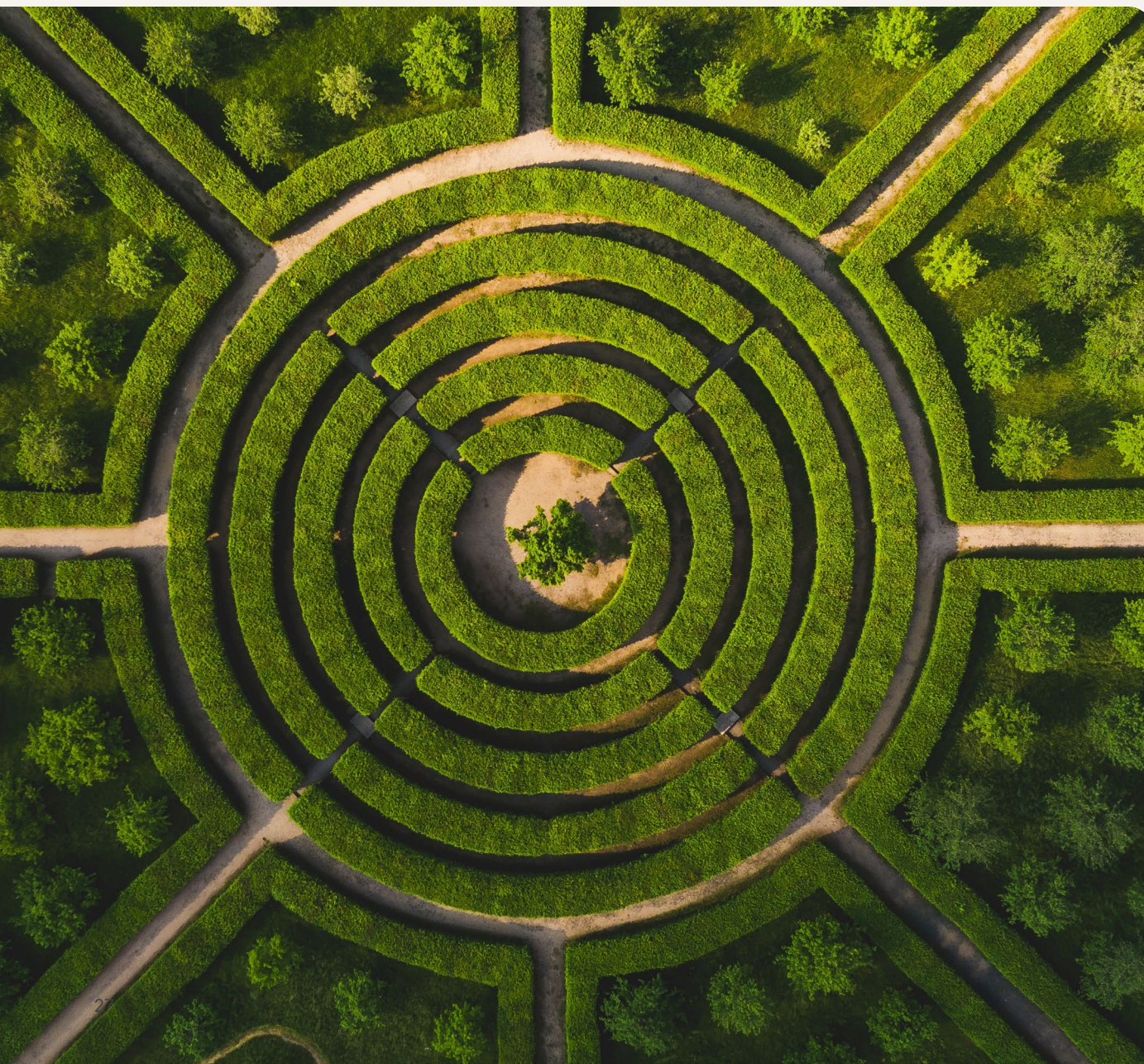
- We met with representatives of the FRC to gain first-hand insight into their perspectives on the Firm and the areas they consider most important.
- We participated in FRC INE roundtables, sharing experiences and learning with both the regulator and INEs from other Firms.

Conclusion

Through the activities described in this report, we have satisfied ourselves that the Firm remains strongly committed to delivering high-quality audits, safeguarding its reputation, managing risk effectively, and continuing to build a sustainable and successful business in the public interest.



Ethics and Independence



The requirement to comply with the ICAEW's Code of Ethics, the Financial Reporting Council (FRC) Revised Ethical Standard and, as the Firm is a member of the PKF Global (PKFG) network and Forum of Firms, the IESBA Code of Ethics is set out in the Firm's Professional Standard Notes (PSNs).

The requirement to comply with the Bribery Act 2010 and the Firm's PSNs are set out in the staff handbook and form part of all employees' contracts of employment. The requirements for partners to comply are contained in the Members' Agreement.

The Firm's Ethics Function is overseen by the Ethics Partner, with the assistance of the head of Technical, a full time dedicated member of staff and other support as may be required from time to time from the wider Compliance function of the Firm.

The Firm's PSNs, which also cover independence requirements, set out the following:

- Adherence to the ICAEW's Code of Ethics, FRC Revised Ethical Standard and IESBA Code of Ethics takes precedence over commercial considerations.
- Before accepting any new work assignments from either new or existing clients, partners and staff must take reasonable steps to identify circumstances that could pose a conflict of interest both within the Firm and the PKFG network.
- Conflict of interest checks within the PKFG network must include a review of the PKFG Transnational Entities database to establish if any network Firm has an existing relationship with the new or existing client.
- Partners and managers are required to keep independence issues under constant review and, in respect of audit assignments, reconfirm the Firm's independence having regard to FRC's Revised Ethical Standard, prior to the commencement of every audit, also paying due consideration throughout an engagement period when considering requests to undertake non-audit services.
- All members of the Firm are required to complete an annual declaration of their independence, freedom from conflicts of

interest and that they hold no prohibited investments.

- The Ethics Partner has completed a review of the annual declarations for independence compliance submitted by partners and members of staff for the year ended 31 May 2025. The review for the year ended 31 May 2026 is completed subsequent to the year end.
- Gifts and hospitality can only be accepted or offered where an objective, reasonable and informed third party would consider, or perceive, the value to be trivial or inconsequential.
- The Ethics Function must be consulted on all questions related to independence and professional ethics and policies are in place to mandate consultation on specified matters.

Questions which are of a contentious nature are responded to by the Ethics Partner with the support of the Ethics Function. The decision of the Ethics Partner on each matter is final.

- Instances of non-compliance with or breaches of the Firm's procedures must be reported to the Ethics Function, with breaches and potential breaches being reported to the FRC on a bi-annual basis, or more frequently where this would be expected by the FRC.
- The Firm's policy on the rotation of key audit partners and staff is set out in a specific PSN. All partners and staff involved in a PIE audit must follow the Firm's rotation policies which have been established in line with the underlying ethical and legal requirements relevant to the Firm. In summary these policies are:

Role	Maximum period in that role	Minimum period before individual can be involved in audit again
Engagement or Key Audit Partner	5 years*	5 years*
Key Partner involved in the audit	7 years	2 years
Engagement Quality Reviewer	7 years	5 years
Other Partners and staff in senior positions	An assessment of any threats to the independence of the firm is undertaken after 7 years. Involvement will only continue with safeguards applied	n/a

* Where the audit committee of the entity (or equivalent) request an extension to this, the Ethics Partner may grant an extension for up to two years. Where such an extension is granted the minimum period before the individual can be involved in the audit again is extended by the same period.

Training and communications

The Firm provides training to new joiners and to members of the Firm on an annual basis covering Ethical matters, including updates to policies and procedures following any changes to the Ethical frameworks noted above. In addition, the Ethics Function provides regular communication to members of the Firm throughout the course of each year, where key messages are reiterated to all members of the Firm.

Breaches

It is a requirement of the Firm's policies and procedures that all Ethical breaches are communicated to the Firm's Ethics Function as soon as possible, so that the implications of these can be formally assessed. The assessment will consider whether there are safeguards that can be put in place and/or any other actions that can be taken to address any potentially adverse consequences of any confirmed breach. All breaches are reported to the FRC, as outlined above and are communicated to Those Charged with Governance if these relate to a specific client. In certain instances, it may also be necessary to inform PKFG.

Where Ethical breaches are identified, a root cause analysis may be undertaken in order to assess the underlying reasons for the breach

taking place and the steps necessary to prevent such a breach recurring. We also issue Firm wide reminders on specific aspects of the Ethical requirements where we identify any themes to breaches across the Firm.

Acceptance and continuance of client relationships and specific engagements

The Firm has detailed procedures covering the acceptance and continuance of client relationships and new specific engagements. A pre-proposal questionnaire must be completed before any proposal is submitted for a new client or when a proposal for the audit of a current non-audit client is requested. New client pre-proposal questionnaires are then followed by a comprehensive client acceptance form, which must be completed prior to acceptance of every appointment. All pre-proposal forms require the identification of the prospective client, an assessment of our independence, integrity and objectivity, freedom from conflicts of interest, an assessment of whether the Firm has the requisite skills and available resources to carry out the engagement and an assessment of the risk the prospective client would present to the Firm.

Conflict of interest checks are completed prior to preparing a proposal for a potential new client or before agreement for the provision of

a new service to an existing client. The checks include a consideration of whether the entity is a transnational entity, a public interest entity or a listed entity. Transnational entities are those entities whose financial statements may be relied upon outside the audited entity's home jurisdiction for the purposes of significant lending, investment, or regulatory decisions. A database of such entities is maintained by PKFG to enable identification of those entities where another network member Firm provides services to that entity.

Upon acceptance of a new client or a specific engagement from an existing client, the Firm issues a detailed engagement letter for agreement by the client, setting out, inter alia, our understanding of the nature of the assignment and what is required of us and our standard terms of business.

In addition to the above, partners and staff involved in audit engagements, including statutory audits of PIEs, must separately complete a client acceptance of (re)appointment form before any work commences to ensure compliance with the requirements of the FRC Revised Ethical Standard.

All personnel are required to monitor the Prohibited Investments list maintained by the Firm to ensure that they do not hold an interest in a client of the Firm.

The Firm has established policies and procedures to ensure that partners and staff are equipped with the required technical skills and reflect the Firm's values of commitment to client service and high professional and ethical standards, covering objectivity, integrity, and independence.

The Firm sets high standards for the recruitment and promotion of personnel, in particular with regard to the selection and interview of candidates and the qualifications including relevant experience as required. Managers or partners are involved in all interviews, with partners involved in all interviews for senior members of staff. References are always taken, including verification of membership of professional or regulatory bodies. The Firm has continued to make significant investment into recruitment and staff management to further enhance resources in this area.

All personnel undergo regular appraisals dealing with past performance, future development and training needs as aligned to the relevant competency

framework. Audit team members receive performance appraisals at the end of each significant assignment, which includes the assessment of the achievement of audit quality, and this is fed into their six-monthly appraisals.

The Firm adheres to the requirements of the ICAEW for continuing professional development (CPD). Responsibility for providing full support for the development needs of individuals lies with the Leadership Team.

The training programme is informed by new technical developments, the identification of training needs through appraisals, the Firm's system of quality management and a review of CPD records maintained by staff. We use a self developed monitoring app to support our teams with recording their CPD directly from various courses, allowing them to monitor this in real time and for the Firm to monitor progress against required levels of CPD during the year.



The Firm provides:

Dedicated technical support staff.

A technical library, including online resources available via the Firm's intranet.

Manuals setting out the Firm's procedures for all audit and assurance engagements as well as other services provided by the Firm.

Membership of the Faculties and Special Interest Groups of the ICAEW and dissemination of their guidance and bulletins to audit partners and staff.

Subscription to the email update service of the Financial Reporting Council, enabling early access, inter alia, to its output pertaining to audit and accounting, which is disseminated to audit partners and staff.

Regular internally and externally provided update training for partners and staff dealing with current developments in accounting, auditing, ethical standards, and tax.

Internal training courses tailored to the specific roles of individuals at each stage of their careers (e.g., audit assignment leaders course and Responsible Individual training).

An annual training event at an external venue attended by all members of the Firm, this includes both Firm wide sessions and others aimed at each division of the Firm which focus on the work of that division.

Ad hoc internal and external training to meet specific needs.



Details of the mandatory training for relevant staff are as follows:

Accounting updates

Audit updates

Tax updates

Ethics updates

Anti-money laundering

Anti-bribery and corruption

Cyber security and other IT training

GDPR

A portfolio of management skills workshops

Other sector specific sessions as appropriate for relevant personnel

The Firm is an accredited training office with the ICAEW, the Association of Certified Chartered Accountants and the Association of Accounting Technicians. The progress of students studying for their professional qualifications with these and other bodies (for example, the Chartered Institute of Taxation) is carefully monitored, with each student being closely supported.

The Firm is committed to the highest standards of openness, probity and accountability and encourages members of staff who have genuine concerns about any form of malpractice in the Firm to raise those concerns. This whistleblowing policy applies to all partners, employees, agency workers and self-employed contractors.

Engagement with the staff of the firm

The growth, development and success of the Firm has been built by the dedication and effort of its staff. The interests of our people are taken into account when decisions are made with the regular feedback and suggestions for change being invited by the weekly 'How's It Going' survey together with staff being encouraged to provide feedback and suggestion by any other method.

The Firm shares stories of the development and careers to date of its staff at all levels as part of its efforts to attract and retain talent. We have a tailored expectations document that maps out the competencies expected our team members to exhibit, providing a clear pathway to progression.



‘Have your Say’ survey

In 2025, the Firm completed its third annual Have Your Say survey, with strong participation from Partners and staff across the business. The level of engagement reflects the importance placed on colleague feedback and provides valuable insight into the effectiveness of the Firm’s culture, leadership, and quality initiatives.

The results demonstrated continued high levels of engagement, confidence, and pride in the Firm. They also reinforced the positive impact of

initiatives introduced to support the wellbeing, development, and professional success of our people. Encouragingly, respondents reported increased confidence that feedback is listened to and acted upon, reflecting our commitment to fostering an open and inclusive culture in which continuous improvement is encouraged.

The survey included a number of questions focused on audit quality, the results of which are summarised below with the prior year comparative:

Question	Agree (Audit team)	Agree (Audit team)	Agree (Whole Firm)	Agree (Whole Firm)
	2024	2025	2024	2025
I receive sufficient training and development to enable me to deliver high quality work	74%	83%	75%	78%
I am encouraged and supported by audit engagement Partners to deliver high quality work	72%	71%	75%	76%
I have sufficient time and resources to deliver high quality work.	50%	55%	55%	58%

Whilst the results showed a positive trend from the prior year, the survey also identified opportunities for further enhancement. The Firm established a series of focus groups comprising colleagues from a range of service lines and grades to better understand the feedback received and to inform targeted improvement initiatives. Actions arising from these discussions

were implemented during the year, and the improvements in several key survey metrics suggest that these initiatives have had a positive impact.

Building on this progress, the Firm has continued its programme of Have Your Say Focus Groups. These groups provide an ongoing forum for



colleagues to share experiences, assess the effectiveness of initiatives introduced, and contribute to the development of further improvements. Participation spans multiple service lines and levels of seniority, helping to ensure that a broad range of perspectives informs our decision-making and continuous improvement activities.

Monitoring

In accordance with the requirements of ISQM 1, the Firm has established a monitoring and remediation process to ensure that relevant, reliable, and timely information about the design, implementation, and operation of the SOQM is obtained so that appropriate remediating actions to respond to any identified deficiencies are taken on a timely basis. As set out in the System of Quality Management section, the system was reviewed both internally and externally during the year weaknesses and other areas of improvement identified to be addressed to ensure the robustness of the system. This process involves a suite of initiatives to support quality either in conjunction with the requirements of other regulations or that are part of the Firm's policies and procedures. These include:

- completion of a root cause analysis (RCA) with the results being considered and overseen by the Firm's Professional Standards Committee, especially the effective implementation of the remedial actions arising from the RCA and the consequential impact, if any, on the Firm's quality objectives, quality risks and responses.
- a targeted review of how a certain aspects of audit engagements are undertaken via 'thematic review', the results of which are then fed back to individual teams for them to take

forward to the following years engagement. These results of the thematic reviews are shared with the audit practice to highlight best practice and areas of identified weakness.

- an in-flight review may be allocated to an audit engagement that is considered to be a higher risk audit. These reviews are undertaken during the audit process and aims to support audit teams to ensure they are meeting the requirements of auditing standards and documentation of their considerations and challenge of management, whilst ensuring professional scepticism has been appropriately applied.

Engagement performance

All professional work is subject to review by managers, directors and partners, with clear guidelines laid down for second partner consultation, engagement quality reviews, consultation with the compliance partners and the use of experts and specialists where required.

Reviews of completed engagements

The Firm engages external reviewers to review the quality of audit, assurance and tax work, as well as other services provided by the Firm. Our external reviewers also carry out an annual whole Firm practice assurance review.

Reviews take place eight times per annum with reports delivered to the PSC and the Audit Compliance Partner. At the commencement of this compliance period, the Firm replaced its previous approach, under which all RIs were subject to cold file review at least once per compliance period, with a risk-based cyclical model. The revised methodology differentiates review frequency according to risk characteristics including the Responsible Individual's probation status, recent review outcomes, regulatory findings and the nature of the Responsible Individual's portfolio. Higher-risk populations, including Responsible Individuals in probation and those with significant findings, remain subject to annual selection, whilst PIE, OEPI, listed, PCAOB, CPAB and MTC portfolios are generally reviewed on a two-year cycle and lower-risk portfolios on a three-year cycle. The change was implemented to provide more proportionate risk-based coverage while maintaining appropriate monitoring of audit quality across the RI population.

The Firm's PSNs set out the actions to be taken including that a formal response to the PSC is required from the engagement team where a review produces a conclusion of 'major improvements required'.

Where an engagement achieves a conclusion of 'major improvements required', a root cause analysis is conducted with the engagement team by the individual responsible for the Firm's monitoring and remediation process. The outcome of that root cause analysis, which includes the remedial actions to address the significant deficiencies identified, are reported to the PSC who monitors the implementation of those actions and considers the Firm-wide implications including that relating to the Firm's quality objectives quality risks and responses. It also remains the case under the Firm's policies and procedures that the subsequent period's engagement is automatically re-selected for review.

Where a file receives a conclusion of improvement required or scores below 85% the responsible individual is required to formally respond in writing within a designated period to the audit compliance partner, addressing the points raised on the review. The audit compliance partner may appoint an engagement quality reviewer (should one not be appointed based on other criteria) to review the planning and/or fieldwork and completion in the following year to ensure the points are addressed. The responsible individual is required to document on the following years audit file how all the points raised by the reviewer have been addressed.

Where a file receives a conclusion of no or limited improvement needed (and a score of above 85%) the responsible individual is required to document on the following years audit file how any the points raised by the reviewer have been addressed.

The reviews of the Firm's audit work are performed to ensure the Firm is compliant with the requirements of ISQC 1 and ISQM 1. In the twelve-month period ended 31 March 2026, overall, the Firm achieved its benchmark that at least 85% of the files reviewed were not identified as requiring major improvements. The number of audit files reviewed together with the percentage of those that did not require major improvements and the percentage of those that were identified as requiring limited or minor improvement in the last five years, is as follows:

	2026	2025	2024	2023	2022	5-year summary
Number of audit files reviewed	32	32	38*	33	27	162
% of those files that were identified as not requiring major improvements	94%	91%	97%	85%	85%	91%
% of those files that were identified as requiring limited or no improvement	88%	88%	79%	73%	59%	78%

*Between 2021 and 2023 the reporting period was the twelve months to 31 May, in 2024 this was amended to 31 March. The data reported includes the 10 month period to 31 March 2024 and the subsequent 2 months to 31 May 2024 and represents a 12 month period. The reporting for subsequent periods represent the 12 months to 31 March each year.

The results continue to demonstrate the strength of the Firm's audit quality, with 94% of files assessed as not requiring major improvement and 88% requiring only limited or minor improvement. Performance against both measures remains above the five-year averages of 91% and 78% respectively, reflecting a sustained positive trend in audit quality across the review period. Two files were identified as requiring major improvement and, in accordance with the Firm's quality management policies, root cause analyses were undertaken and appropriate remedial actions implemented. The Firm remains committed to continuous improvement through ongoing monitoring, evaluation and enhancement of its systems of quality management, with the objective of maintaining consistently high standards across



all audit engagements.

As noted in their report the PIC continue to challenge the Firm on the results of these reviews, in particular where the results for a year identify a decline or no improvement from the previous period.

External quality reviews

PKF Littlejohn LLP is a Registered Auditor and is regulated in the conduct of its services by the Financial Reporting Council and the Institute of Chartered Accountants in England & Wales (ICAEW), including as a Designated Professional Body for investment business. The Firm is registered as an auditor of Public Interest Entities and is also registered with the Isle of Man Financial Services Authority and the Jersey Financial Services Commission to undertake audit work in connection with market traded companies incorporated in the Isle of Man and Jersey respectively. The Firm is also registered with the Public Company Accounting Oversight Board and the Canadian Public Accountability Board to undertake audit work in connection with US and Canadian listed entities respectively.

As a statutory auditor of entities defined as public interest entities, the Firm is subject to monitoring by the Audit Quality Review Team (AQR) of the Financial Reporting Council. The

AQR undertook the 2025/26 periodic audit quality inspection during the year with the file review concluded during the year.

The FRC published its 'Annual Review of Audit Quality' in July 2026. The review includes the results of its inspection findings and the information in respect of the largest six audit Firms and other high impact audit Firms.

The FRC publishes the names of the entities on which it has carried out an AQR file review. The individual inspection reports on these entities are confidential and given the relatively small number of inspections that the AQR carries out each year on the Firm, we do not publish our AQR results as it would risk individual audits of specific entities being identifiable.

The Firm is also subject to periodic reviews by the Quality Assurance Department (QAD) of the ICAEW. The QAD reviews are in respect of UK statutory audits that are outside of the scope of the FRC's AQR inspection scope. The QAD carried out its audit monitoring visit in quarter four of 2025 and it was completed in April 2026. The review included eight audit file reviews with six rated as either 'good' or 'generally acceptable', one rated as 'improvement required' and one as 'significant improvement required'. This was considered a generally satisfactory outcome albeit the results are below the KPI for audit

quality on external file review scores. Root cause analysis has been undertaken on the two scores not considered at least generally acceptable.

The PCAOB conducted a review during 2023 which was concluded in May 2025 and have subsequently commenced their triennial review post year end.

The European Court of Auditor also reviews the Firm's work on those services provided to the European Union or its institutions.

As a member of the PKF Global network, the Firm is also subject to periodic reviews by PKF Global of its system of quality control. A review was completed in the autumn of 2023 with the Firm receiving the top grade that may be awarded. The subsequent review was undertaken in May 2026 and the finalised grading is expected to be received during quarter four of 2026.

Directors and associates of PKF Littlejohn

Advisory Limited who act as insolvency practitioners are individually authorised and regulated either by the Insolvency Practitioners Association ("IPA") or the ICAEW, both bodies are recognised by the Insolvency Service (an executive agency sponsored by the Department for Business and Trade), which is the ultimate regulator of the insolvency profession. Practitioners are typically inspected on a cyclical basis. Practitioners who are directors and associates or PKF Littlejohn Advisory Limited that are based in London were inspected in July 2024 (IPA) and in September 2025 (ICAEW). The Practitioners based in Leeds were last inspected in 2020 (IPA) and are due to for an additional inspection in October 2026 (IPA).

Remediation

QAD Audit File Review Outcome	2025 visit	2023 visit	Movement
Good & generally acceptable	6	6	-
Improvement Required	1	-	+1
Significant Improvement Required	1	-	+1
Total Files Reviewed	8	6	



The results of all internal and external audit quality reviews are used to inform improvements to the Firm's policies and procedures and are also fed into the Firm's internal training programme. Following completion of external audit quality reviews, the PSC will issue Quality Monitoring Alerts to bring to the attention of partners and staff the results of the reviews, and general themes from the reviews that the PSC consider should be brought to the attention of the wider audit teams.

Following the receipt of a completed external file review, the engagement team are required to ensure that the principal findings and other findings are addressed and evidenced as such on the subsequent years audit file. Where an external file review receives a grading equivalent to improvement required or significant improvement required, a root cause analysis is conducted with the engagement team by the individual responsible for the Firm's monitoring and remediation process. The outcome of that root cause analysis, which includes the remedial actions to address the significant deficiencies identified, are reported to the PSC who monitors the implementation of those actions and considers the Firm-wide implications including that relating to the Firm's quality objectives quality risks and responses.

Investor and external stakeholder engagement

We recognise the importance of engaging with a broad range of stakeholders to support audit quality, corporate reporting and contributing to the development of the profession.

Accordingly, many of our Partners, Directors and wider team members maintain an active dialogue with regulators, standard setters, investor representatives, professional bodies and industry groups on matters including; audit, assurance and financial reporting.

The Firm contributes to consultations on proposed regulatory and professional developments and, where appropriate, considers the views of clients and other stakeholders when forming its responses. We also share our thought leadership insights through publications, technical briefings

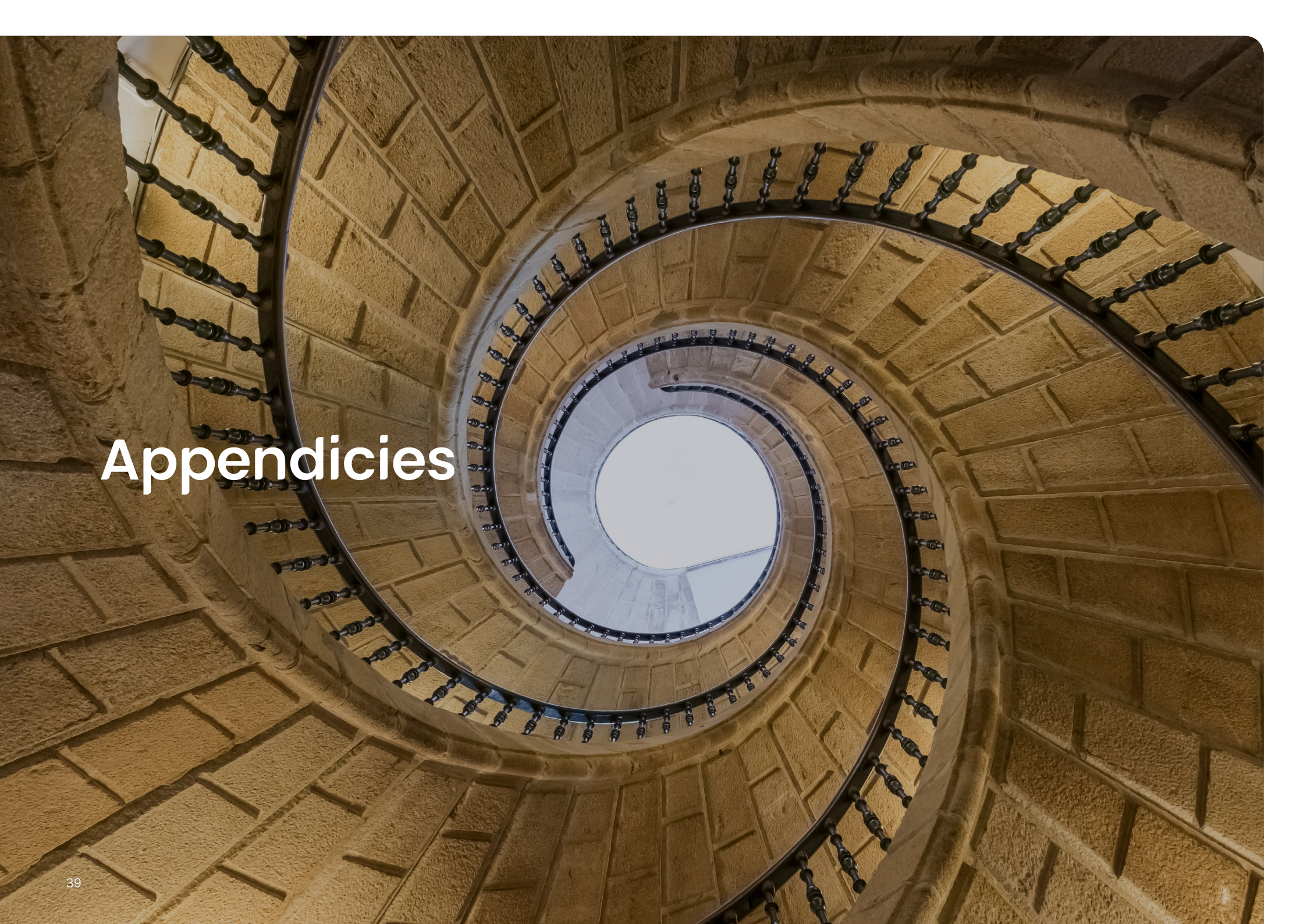
and thought leadership on emerging issues affecting businesses, investors and the profession.

In addition, many of our team hold positions on a variety of professional committees, advisory panels and industry working groups, enabling the Firm to contribute to the ongoing evolution of audit quality, governance and reporting standards while remaining informed of emerging developments and stakeholder expectations.

A stylized, handwritten signature in white ink on a blue background.

Dominic Roberts, Managing Partner

For and on behalf of PKF Littlejohn LLP
30 September 2026



Appendicies

Appendix 1:

Brief details for the members of the Board



Dominic Roberts
Managing Partner
Member of the Board
from 1 June 2019

Dominic, together with his colleagues on our Leadership Team is responsible for setting the business' objectives, developing and monitoring our strategic direction, and driving our continued growth. Dominic also plays an active role in ensuring that PKF remains at the forefront of promoting the wellbeing of our people.

Dominic made his name as a transaction services and audit specialist in our Capital Markets team where his portfolio has included clients listed on the LSE, AIM, NASDAQ, AQUIS, TSX and ASX stock exchanges. During Dominic's time as Head of Capital Markets, the team expanded rapidly to become the fifth largest auditor of listed companies, according to the respected ARL Adviser Rankings guide.

Dominic is also a member of the Board of PKF Global, ensuring that the network remains ideally positioned to serve aspirational clients with multinational operations.



Ian Cowan
Chairman
Member of the Board
from 1 September 2021

Ian is chairman of the Firm and a partner with PKF's specialist financial services team. Ian has been auditing and advising the asset management, funds and insurance broking communities for over 30 years. Ian has acted for international groups, fully listed entities and London market and international insurance and reinsurance brokers and other regional insurance intermediaries, ranging in size from start-ups to established companies with £25m+ brokerage and commission.

Ian has extensive experience of advising clients on FCA regulatory matters and other issues around client money and custody assets, the CASS rules and RMAR reporting. Ian is responsible for in excess of 50 CASS reasonable assurance audit opinions as either signing partner or in his role of independent reviewer. Ian has a broad range of experience in the wider financial services and insurance sectors and, in addition to insurance brokers and MGAs, acts for insurers and previously Lloyd's syndicates as well as many other entities that participate in and support the London and wider UK financial services and insurance markets.



Tim Herbert
Partner
Member of the Board
from 1 June 2023

Tim is a partner within PKF's Corporate and Capital Markets team. He has more than 25 years' experience of working with UK and international businesses, is head of our Real Estate, Hotel and Leisure team and works primarily with private international businesses. Tim has extensive experience of working with overseas auditors, both as lead auditor and as component auditor within groups – working with companies that have activities or owners across the globe. He also acts as audit engagement partner for clients listed on the LSE Main Market and AIM, as well as undertaking the role of Engagement Quality Reviewer for other such audit clients.

Alongside his client partner role, Tim is also the Firm's Ethics Partner with responsibility for overseeing the Ethics Function and for ensuring compliance with independence requirements. He is also the Firm's Practice Assurance Partner and is Chair of the Firm's Audit & Risk Committee.



Daniel Hutson

Partner

Member of the Board
from 24 January 2024

Dan Hutson is a Partner in our Corporate and Capital Markets team in London.

Dan specialises in providing audit and transaction support services to listed and private companies across the UK and overseas. He has assisted many companies with their admission to the stock exchange (primarily LSE and AIM) through the IPO process and also on subsequent reverse takeovers for already listed clients. He also provides financial due diligence support and has significant experience of both UK accounting standards and International Financial Reporting Standards along with conversions from UK GAAP to IFRS.

Dan has experience across a wide range of sectors, and specialises in natural resources, manufacturing, technology, media and telecommunications.

Dan is also a member of the Firm's Professional Standards Committee (PSC) and the Public Interest Committee (PIC).



Andrew Shepherd

Independent Non-Executive

Member of the Board
from 1 June 2019

Andrew has considerable experience in the governance of a professional accountancy practice having been a Partner and Chairman of Johnston Carmichael LLP, for 26 and 9 years respectively. Andrew brings considerable non-executive director experience, including involvement on audit committees, with mid-market privately owned companies.

Andrew is also a member of the Public Interest Committee (PIC).

Fees for the year ended 31 May 2026: £67,450



John Wallace

Independent Non-Executive

Member of the Board
from 1 June 2017

John brings a broad experience in business strategy, governance, business process and IT, including information security. He is also a passionate advocate for ESG initiatives and the creation of strong, values led 'Growth Mindset' cultures as a key driver of sustainable quality and growth.

Alongside his role at PKF John is the founder and CEO of a UK based software company and his specialities include financial process automation including robotic process automation, data analytics and AI.

John is also a member of the Public Interest Committee (PIC).

Fees for the year ended 31 May 2026: £78,696

Board meetings held during the year to 31 May 2026

The Board held 6 formal meetings during the year in:

Name	Position	Meetings attended	% attended
Ian Cowan	Chairman	6	100%
Dominic Roberts	Managing Partner	6	100%
Daniel Hutson	Partner	6	100%
Tim Herbert	Partner	6	100%
Andrew Shepherd	Independent Non-Exec	6	100%
John Wallace	Independent Non-Exec	6	100%

Attendance at Board meetings and sub-committees of the Board meetings by the members of the Board was set as a KPI for the governance system in the year to 31 May 2026. There were no variances from the expected performance to be investigated by the Board.

Audit and Risk Committee meetings

Name	Position	Meetings attended	% attended
Tim Herbert	Partner	4	100%
Andrew Shepherd	Independent Non-Exec	4	100%
John Wallace	Independent Non-Exec	4	100%

The Audit & Risk Committee is made up of the above members of the Board and during the year, meetings were also attended by the Firm's General Counsel and CFO.

Professional Standards Committee meetings

The Professional Standards Committee (PSC) which during 2025 met monthly and for 2026 generally met on a twice monthly basis is responsible for the setting out and monitoring of professional standards and procedures.

Name	Position	Meetings attended	% attended
Daniel Hutson	Partner	15	100%

The PSC is not a sub-committee of the Board however, as one members of the Board is a member of the PSC their attendance is monitored by the Independent Non-Executives who identified no variances from the expected performance which required investigation.

Public Interest Committee meetings

Name/	Position	Meetings attended	% attended
Andrew Shepherd	Independent Non-Exec	7	100%
John Wallace	Independent Non-Exec	6	85.7%
Daniel Hutson	Partner	7	100%

Independent Non-Executive meetings with the Audit Compliance Partner

The Independent Non-Executives meet with the Audit Compliance Partner, before each Board meeting to receive an update on the work of the PSC and any matters which the ACP wishes to bring their attention.

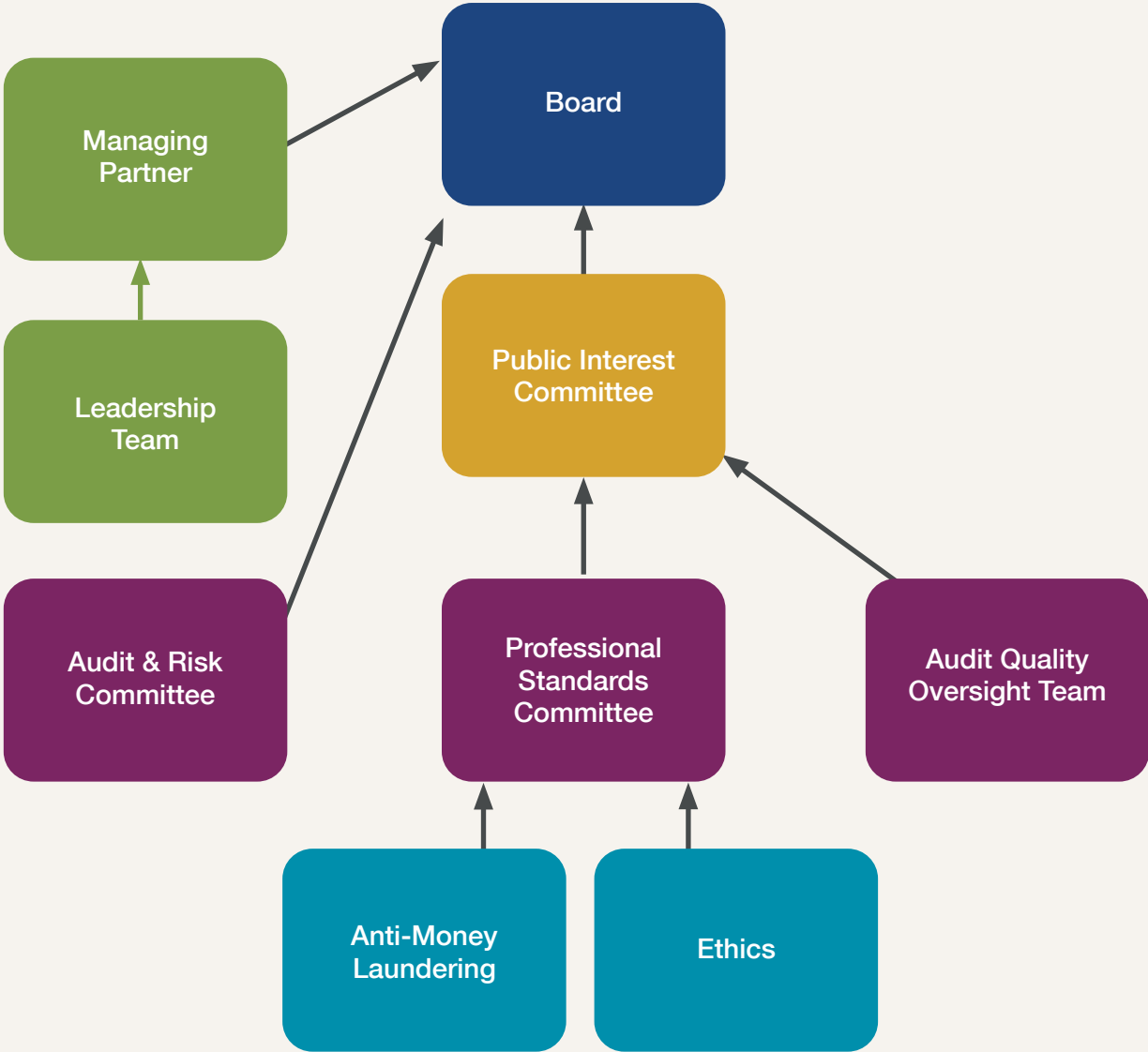
Name	Position	Meetings attended	% attended
Andrew Shepherd	Independent Non-Exec	6	100%
John Wallace	Independent Non-Exec	6	100%

Attendance at these meetings is not considered a Key Performance Indicator for the Firm.

Independent Non-Executive meetings with the Ethics Partner

The Independent Non-Executives meet with the Ethics Partner informally at points throughout the year and formally at least annually to receive an update on any matters which the Ethics Partner wishes to bring their attention. The Ethics Partner is also a member of the Board.

Attendance at these meetings is not considered a Key Performance Indicator for the Firm.



Appendix 2:

Brief details for the members of the Leadership Team



Dominic Roberts
Managing Partner

Dominic Roberts is our Managing Partner. Dominic is – together with his colleagues on our Leadership Team – responsible for setting the business' objectives, developing and monitoring our strategic direction, and driving our continued growth. Dominic also plays an active role in ensuring that PKF remains at the forefront of promoting the wellbeing of our people.

Dominic made his name as a transaction services and audit specialist in our Capital Markets team where his portfolio included clients listed on the LSE, AIM, NASDAQ, AQUIS, TSX and ASX stock exchanges. During Dominic's time as Head of Capital Markets, the team expanded rapidly to become the sixth largest auditor of listed companies, according to the respected ARL Adviser Rankings guide.

Dominic is a member of the Board of PKF Global, ensuring that the network remains ideally positioned to serve aspirational clients with multinational operations.



Mike Kowal
Chief Financial
Officer

Michael Kowal is our Chief Financial Officer and is a member of our Leadership Team, in addition to overseeing our Finance and Facilities teams.

He has 20 years' experience, including 15 years with the Big Four, training in audit and business recovery roles before moving to an internal finance role. Although specialising in large professional practices, Michael Kowal has a wide experience ranging from small start-ups in emerging markets to multi-billion-pound international groups.



Chris Riley
Partner

Chris is a Partner in our Tax team. He specialises in taxes affecting businesses, their employees and shareholders, with a particular focus on Corporation Tax. Chris assists businesses with managing their tax obligations, and ensuring that operations and projects are structured in a tax efficient manner.

Rarely is tax the sole driver of such matters, and his commitment to gaining a holistic understanding of the factors affecting key stakeholders ensures that businesses make informed decisions about their tax position.

Chris has significant experience in both the insurance industry and the capital markets, where he uses his deep knowledge of sector issues to provide support that is always relevant to the needs of his clients.

A qualified accountant and tax adviser, Chris frequently presents alongside sector specialists on the tax consequences of regulatory changes. Chris is also the Chair of the Professional Standards Committee.



Stephen Goderski
Partner

Stephen Goderski is a Partner in our Advisory team.

Based in London and the Home Counties, he provides pragmatic advice and bespoke solutions to financially distressed business owners, lenders and investors. Stephen Goderski is an expert in crisis stabilisation and has over 35 years' experience of identifying and addressing threats and challenges in a diverse range of sectors. Working with people is key to Stephen's approach and he is focussed on ensuring that all stakeholders work towards the same goal on any given assignment.

He is a fellow of both the Association of Business Recovery Professionals and the Insolvency Practitioners Association (IPA). He is a twice former Council member of the IPA and chaired its Membership & Authorisation Committee for seven years.



Rachel Prebble
Director

Rachel Prebble is a Director in our HR team and is a member of our Leadership Team.

Rachel leads our people initiatives across PKF, working closely with all departments to create a supportive, people focussed culture. She provides our team with people solutions that are commercial, pragmatic and aligned to the evolving needs of the business, whilst also ensuring our recruitment & resourcing programmes are fit for purpose at all levels, from early careers to more specialist and targeted qualification support.

Alongside the needs of the business, Rachel and her team recognise the importance of supporting people's individual needs and therefore regularly review our people strategy, including employee relations, inclusion and wellbeing, training and development and reward & benefits to ensure we remain competitive in the market, and continue to invest in our people.

Rachel is a senior HR professional with expertise in people strategy, training and development, HR operations and talent management. She has over 25 years' experience working with large multinational organisations including the Big Four and the banking industry.

Appendix 3:

Further details regarding the PKF Global Network



As set out in the body of this transparency report, the Firm is member Firm of the PKF Global network (PKFG). We set out below details of the network.

Legal Basis

The network formed by PKFG, and the member Firms (the member Firms or members) is regulated by adherence to an Agreement (the "Agreement") between PKFG and individual Members. The Agreement authorises the Members to use the PKF name as defined under specific circumstances, under specific conditions, for specific purposes and in a specific territory, in consideration for which the Members pay a membership fee to PKFG.

PKF International Limited is a private company (the Company) registered in England and limited by guarantee (registered number 03816253) which administers the PKFG network. The Company's Articles of Association require a Board of Directors who conduct the business of the Company and network. The Board has a strategic and co-ordinating role but has no executive authority over or involvement in the operations of individual member Firms.

Each member Firm is a legally independent entity owned by partners or shareholders and managed in each location. The Company has no financial or management interest in any member Firm. None

of the directors of the Company has a financial or management interest in any member Firm other than his or her own.

Contractual relations are only formed between a client and the member Firm engaged by the client; no other member Firm has responsibility for the services provided and cannot be held liable.

Structure

Member Firms are organised into five geographical regions. Each region has a regional Board and elects or nominates representatives to the Company's Board of Directors.

There are two international committees responsible for professional and practice standards – the International Professional Standards Committee (incl. Assurance) (IPSC) and International Tax Committee (ITC). A number of additional practice area committees operate both regionally and internationally.

Quality Assurance

PKFG operates a Global Monitoring Programme (GMP) covering member Firms. The principal objectives are to ensure that the standards

expected for the performance of certain types of professional work by member Firms are established and communicated to members, that those standards meet appropriate recognised professional practice requirements at least for transnational and referred work, and that a programme of monitoring of compliance with expected standards is operating effectively.

Member Firms

PKFG distinguishes between member Firms and exclusive / non-exclusive correspondent Firms. Correspondent Firms do not form part of the Network as defined by the Code of Ethics for Professional Accountants, including International Independence Standards issued by the International Ethics Standards Board for Accountants (IESBA), do not have equivalent rights and privileges or responsibilities of member Firms, and are covered by the GMP only to the extent of assessing correspondent Firms as part of their admission to full membership. An up-to-date list of members and correspondent Firms, including the Firm names and countries in which they are registered and operate from, can be found on the website www.pkf.com.

Appendix 4: Public Interest Entities



Public Interest Entities in respect of which PKF Littlejohn LLP issued a statutory audit opinion in the year ended 31 May 2026 were as follows:

1. Abrdn Life and Pensions Limited
2. Accredited Insurance (UK) Limited
3. Alt Resources Plc
4. Atlas Metals Group plc (formerly MetalNRG Plc)
5. Altyn Gold Plc
6. Ambac Assurance UK Limited
7. Aura Renewable Acquisitions Plc
8. Beacon Rise Holdings Plc
9. Beaufort Insurance Company Limited
10. BHSF Limited
11. BSF Enterprise Plc
12. China Taiping Insurance (UK) Co Ltd
13. Chesterfield Resources Plc
14. Cirencester Friendly Society
15. Cizzle Biotechnology Holdings Plc
16. Cloudbreak Discovery Plc
17. Cobra Resources Plc
18. Coverys Limited
19. Critical Metals Plc
20. Critical Mineral Resources Plc
21. DARAG Legacy UK Limited

22. DARAG Insurance UK Limited
23. Financial & Legal Insurance Company Limited
24. Financial Guaranty Limited
25. First Title Insurance Plc
26. Gem Resources plc
27. Genflow Biosciences Plc
28. Georgina Energy Plc
29. Great Southern Copper Plc
30. HealthShield Friendly Society Limited
31. Heddington Insurance (U.K.) Limited
32. Hemogenyx Pharmaceuticals Plc
33. International Personal Finance Plc
34. International Transport Intermediaries Club Limited
35. Irwell Insurance Company Limited
36. Kavango Resources Plc
37. Managed Pension Funds Limited
38. Markel International Insurance Company Limited
39. Mila Resources Plc
40. National Casualty Company of America Limited

41. NeoTerra Group Plc (formerly Altona Rare Earths Plc)
42. NPA Insurance Limited
43. Ondo InsurTech Plc
44. Paycare
45. Pineapple Power Corporation Plc
46. Marco Gamma Limited (formerly R&Q Gamma Company Limited)
47. RHP Finance Plc
48. Sure Ventures Plc
49. Technology Minerals Plc
50. The Excelsior Insurance Company Limited
51. The Investment Company Plc
52. The Salvation Army General Insurance Corporation Limited
53. The University of Manchester
54. Ultimate Products Plc
55. Walker Crips Group Plc
56. Wausau Insurance Company (UK) Limited
57. Xaar plc
58. Xitus Insurance Limited
59. Zotefoams Plc

Appendix 5:

PKF International member and correspondent Firms



PKF Global member and correspondent Firms providing statutory audit services within the European Union and the United Kingdom.

Registered name	Country	Head Office			
PKF Corti & Partner GmbH Wirtschaftsprüfer und Steuerberater	Austria	Graz	PKF Euroauditing S.A.	Greece	Athens
PKF Österreicher & Partner GmbH & Co KG Wirtschaftsprüfung und Steuerberatung	Austria	Vienna	PKF Audit Kft	Hungary	Budapest
PKF Rößlhuber & Partner Steuerberatungs GmbH & Co KG	Austria	Salzburg	PKF Brenson Lawlor Limited	Ireland	Dublin
PKF BOFIDI	Belgium	Antwerp	PKF Italia S.p.A.	Italy	Milan
PKF Bulgaria Ltd.	Bulgaria	Sofia	PKF Latvia SIA	Latvia	Marupe
PKF FACT revizija d.o.o.	Croatia	Zagreb	PKF (Liechtenstein) AG	Liechtenstein	Vaduz
PKF ABAS Limited	Cyprus	Nicosia	PKF in salvo, UAB	Lithuania	Kaunas
PKF Savvides & Co Ltd	Cyprus	Limassol	PKF Audit & Conseil S.à.r.l.	Luxembourg	Luxembourg
PKF APOGEO Group, SE	Czech Republic	Prague	PKF Malta Limited	Malta	Birkirkara
PKF Munkebo Eriksen Funch, Statsautoriseret Revisionsaktieselskab	Denmark	Copenhagen - Glostrup	PKF Revisjon AS	Norway	Oslo
PKF Arsilon Holding	France	Paris	PKF Consult Spółka z ograniczoną odpowiedzialnością Sp. k.	Poland	Warsaw
PKF Fasselt Partnerschaft mbB	Germany	Berlin	PKF II Portugal Lda	Portugal	Lisbon
PKF Industrie- und Verkehrstreuhand GmbH Wirtschaftsprüfungsgesellschaft	Germany	Munich	PKF Econometrica S. R. L.	Romania	Timisoara
PKF Issing Faulhaber Wozar Altenbeck GmbH & Co. KG	Germany	Würzburg	PKF Finconta S. R. L.	Romania	Bucharest
PKF Riedel Appel Hornig GmbH	Germany	Heidelberg	PKF Slovensko S.R.O	Slovakia	Previdza
PKF Sozietät Dr. Fischer	Germany	Nuremberg	GM revizija	Slovenia	Ljubljana
PKF WMS GmbH Wirtschaftsprüfungsgesellschaft	Germany	Osnabrück	AB Integro	Spain	Malaga
PKF WULF GRUPPE GmbH & Co. KG.	Germany	Stuttgart	PKF Attest Servicios Profesionales, S.L.	Spain	Madrid
			PKF Revidentia AB	Sweden	Stockholm
			Francis Clark LLP	United Kingdom	Exeter
			KLSA LLP	United Kingdom	Harrow
			PKF Littlejohn LLP	United Kingdom	London
			SHH 101 LLP	United Kingdom	Derby

Appendix 6: Our Values and principles



Our Values are at the heart of who we are. They enable us to define what we collectively stand for and help inform everything that we do as a business – from setting our Firm's strategy through to how we recruit and develop our staff. Our Values are defined as follows:



We draw on these Values to give us a clear purpose and a set of Guiding Principles that set us apart from our competitors.

Our aim is to understand people, the organisations they run, and what matters to them, so we can simplify unnecessary complexity and help them achieve their ambitions.

We have three important principles that make a big difference in our business, and they also have a significant impact on our clients' organisations. They are really simple:

- We work with people not numbers – People matter; making a difference for the people we work with and the people we work for is our priority.

- We never underestimate understanding – We are relentlessly curious, because we want to know each client's organisation as well as they do, even better if we can.
- We get things done – We have an entrepreneurial attitude and seek out practical and commercial solutions to challenging problems.

What this means

Drawing on our Values and Guiding Principles provide us with a framework for how we should behave in our day-to-day work.

We learn and improve

We recognise that we are accountable for our actions and that continued learning is important to deliver our work to the highest standards.

- We invest time in learning and self-improvement, both professionally and personally
- We actively seek feedback from those around us and use it to help us to continue to improve and perform our work to a high quality and standard
- We are inquisitive and create opportunities to satisfy our curiosity

- We ensure that we keep up to date with and comply with all laws, regulations and professional standards when performing our work, displaying integrity, objectivity and due care at all times

We value our people

We aim to create a supportive, developmental and aspirational working environment that enables all of us to fulfil our potential.

- We treat all of our colleagues fairly and with respect, recognising that the combination of our different personalities, backgrounds, experiences and expertise is what gives us our advantage
- We are generous with our ideas, views, support and time
- We provide honest and respectful feedback to support each other with our development objectives, and to ensure the highest possible quality of work
- We empower and support our colleagues to deliver the best possible results

We understand our clients

We take a genuine interest in understanding our clients, their aspirations and their challenges.

- We invest time in asking questions to better understand the underlying issues
- We seek continuous dialogue – genuine two-way communication – with our clients and respond to them in a timely manner
- We ask for feedback from our clients so that we can continue to improve the service we offer
- We demonstrate care and attention when gathering information and making decisions that affect our clients

We are transparent and honest

We value character, honesty and courage. We refuse to compromise on our principles.

- We recognise our personal strengths and limitations
- We are not afraid to ask for help or support
- We acknowledge mistakes and failures, and seek to learn from them
- We do not put off difficult decisions or conversations, and always give the best possible advice – even if it is not necessarily the advice the recipient wants to hear

We challenge ourselves and others

We challenge, explore and ask questions; we never simply assume or turn a blind eye.

- We have the courage to ask difficult questions of ourselves, our colleagues or our clients
- We speak up constructively on matters of principle, whatever the outcome
- We feel enabled to raise concerns as and when they arise without fear or challenge
- We remain objective and apply our professional scepticism and curiosity at all times

We produce great work

We are driven to provide clever solutions to complex problems. We thrive when facing a challenge and are willing to take the lead in making things happen.

- We take personal accountability for our commitments
- We deliver on our promises and keep to deadlines
- We only provide our services where we have the appropriate understanding, expertise and experience to deliver a high-quality product
- We maintain the Firm's Values and priorities, complying with all applicable professional standards, laws and regulations, even in high-pressure situations

We are good neighbours

We believe that we can and should have a positive impact on the communities of which we are a part.

- We seek to understand the impact of our individual and collective decisions on our (professional, local or broader) communities
- We challenge ourselves and our colleagues to be active contributors to our communities
- We aim to leave our communities in a stronger position than we joined them
- We seek to minimise our impact on the natural environment



Appendix 7: Our most significant risks



Our most significant risks are as follows:

Risk	Description	Mitigation
Audit quality	Inadequate or ineffective quality management leading to a failure to meet auditing standards. This could result in inaccurate or misleading financial reporting, undetected errors or fraud and non-compliance with regulations. IT failure or significant downtime in respect of audit and supporting software.	- Established system of quality management under ISQM (UK) 1 and ongoing quality management. - Monitoring and oversight by the audit quality oversight team (AQOT) and continued enhancements to our risk management procedures in respect of audit quality. - Dedicated technical support team providing advice and support to audit engagement teams. - Ongoing development of the audit methodology to effectively implement technical changes and regulatory developments. - Establishing parameters with suppliers covering restoration and support where required. - IT policies and procedures covering the event of failure or significant downtime. - Formal governance and change management procedures over audit software updates, enhancements and releases to ensure appropriate testing and approval prior to deployment. - Ongoing review of audit technologies, tools and supporting systems to ensure they remain effective, secure and aligned with regulatory and professional requirements. - Business continuity and disaster recovery arrangements, including periodic testing, to support the continued delivery of audit services in the event of significant operational disruption.
Regulatory and legislative requirements	Failure to adequately meet ongoing regulatory requirements.	- Retaining suitably qualified technical and compliance staff, monitoring legal and regulatory compliance and implementing new or amended requirements. - Providing training to members of the Firm on changes to regulatory requirements and providing guidance and reference materials. - Formal governance frameworks supporting compliance with applicable legal, regulatory and data protection requirements. - Periodic reporting to governance bodies regarding regulatory compliance activities. - Ongoing supplier due diligence and oversight procedures supporting compliance obligations.

Reputation and trust	Failure to maintain the trust and confidence of clients, regulators, employees and other stakeholders arising from quality failures, regulatory breaches, cyber incidents, inappropriate conduct or other operational issues. These may adversely affect the Firm's reputation, ability to attract and retain clients and people, and may result in regulatory scrutiny or financial consequences.	- Established system of quality management under ISQM (UK) 1 and ongoing monitoring of audit quality. - Ongoing security awareness, GDPR and cyber security training provided to Partners and staff. - Formal privacy governance framework, annual reporting to governance bodies and ongoing compliance monitoring. - Independent review of aspects of the Firm's IT security environment together with maintenance of recognised cyber security accreditations. - Established incident response, business continuity and disaster recovery procedures designed to minimise operational disruption and stakeholder impact.
Culture	Failure to maintain the existing culture of the Firm may lead to a reduction in quality, failure to adhere to Firm wide and regulatory policies and procedures and a failure to report or address issues.	- Appropriate policies maintained within the staff hand-book. - Regular communication and engagement initiatives designed to reinforce the Firm's values, expected behaviours and commitment to quality, which are embedded into our processes and the Appraisal process. - Firmwide communication on culture. - Mandatory training and awareness programmes covering quality, ethics, compliance, information security and responsible use of technology. - Feedback on the Have Your Say Surveys and the weekly How's it Going? comments. - The Firm's values and culture are specific aspects of the Firm's recruitment and subsequent induction programmes.
People and talent	Failure to attract and retain appropriate levels of talent to support the Firm's strategy of growth and maintain market position whilst ensuring the maintenance of quality.	- Supporting the long term development of our team members through a range of internal and external learning and development initiatives. - Comprehensive learning and development programmes supporting technical competence, leadership development, regulatory compliance and emerging technologies. - Offering competitive packages that are appropriately benchmarked. - Offering clear, supported pathways for progression. - Robust on ongoing improvement to the recruitment processes. - Effective appraisal and feedback procedures. - Policies and procedures supporting agile working.

Growth	The Firm's objective remains to continue to grow profitably. The failure to execute this strategy effectively through appropriate resourcing and targeting suitably high quality client work may lead to a lack of goal congruence, with too much or too little resource, higher risk or lower quality client work that may lead to reduced profitability and competitiveness in the market.	• Clearly set out strategy on a Firmwide, divisional and individual Partner level. • Ongoing monitoring of the Firm's financial performance and financial resilience. • Resource management to ensure agile working and appropriate resourcing to staff existing and new assignments. • Clear approval process for targeting new client work to ensure goal congruence with the Firm strategy and the risk management framework. • Ongoing assessment of operational, technological and people capacity to support sustainable growth whilst maintaining quality standards.
Data and IT security	Failure to protect our systems and data. Failure to adequately manage a response to a cyber attack.	• Ongoing development of our IT infrastructure and security environment to support the operational, data and cyber security requirements of the Firm. • Implementation of layered security controls including multi-factor authentication, single sign-on, endpoint protection, network perimeter defences, geo-location restrictions and continuous threat detection capabilities. • Role-based access controls, periodic access reviews and application of the principle of least privilege to systems and data. • Ongoing security awareness, cyber security and data protection training programmes for Partners and staff. • Formal governance arrangements supporting data protection compliance, including data protection impact assessments, supplier due diligence procedures, processor oversight and transfer-risk assessments where appropriate. • Dedicated incident response, business continuity and disaster recovery arrangements, supported by regular testing, backup procedures and resilient infrastructure. • Independent review and assessment of elements of our IT security framework together with the maintenance of relevant security accreditations. • Governance processes supporting the responsible adoption and use of emerging technologies, including artificial intelligence.

Technology and Artificial Intelligence	Failure to adopt, manage and govern emerging technologies effectively may impact audit quality, operational efficiency, competitiveness, data protection compliance and the responsible use of artificial intelligence across the Firm. • Ongoing review of technological resources and audit technologies to ensure systems remain effective, secure and fit for purpose. • Overseeing the responsible adoption and use of artificial intelligence technologies. • Monthly AI governance group responsible for oversight of AI-related developments, risks and policies. • AI-specific data protection impact assessment triggers and review procedures. • Periodic assessment of AI use cases, shared agents and prompt libraries. • AI literacy training and awareness programmes for Partners and staff.
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Appendix 8: Audit Firm Governance code adoption



How PKF Littlejohn LLP has implemented the Audit Firm Governance Code

The 2022 Audit Firm Governance Code (AFGC) replaced the 2016 version of the code for financial years beginning on or after 1 January 2023. The Firm has adopted the 2022 version of the AFGC with effect from 1 June 2023 and we set out below how the Firm complies with the requirements of the code.

Requirement		Does the Firm comply with the code?	Where is compliance demonstrated?
A	Leadership		
A	A Firm's Management and governance structures should promote the long-term sustainability of the Firm. To this end, the Management of a Firm should be accountable to the Firm's owners.	Yes	This is set out in the terms of reference for the Board which are available on the Firm's website.
B	A Firm's governance arrangements should provide checks and balances on individual power and support effective challenge of Management. There should be a clear division of responsibilities between a Firm's governance structures and its Management. No one individual or small group of individuals should have unfettered powers of decision.	Yes	Within the PKF Littlejohn Management section of this Transparency Report.
C	A Firm's Management should demonstrate its commitment to the public interest through their pursuit of the purpose of this Code and regular dialogue with the INEs. Management should embrace the input and challenge from the INEs (and ANEs).	Yes	The Firm has established a Public Interest Committee. Its work is set out within the Independent Non-Executives and the Report of the Public Interest Committee sections of this Transparency Report.
D	The members of a Firm's Management and governance structures should have appropriate experience, knowledge, influence and authority within the Firm, and sufficient time, to fulfil their assigned responsibilities.	Yes	Within the Board governance principles. However this document is not disclosed and therefore confirmation is not possible.
E	The Management of a Firm should ensure that members of its governance structures, including owners, INEs and ANEs, are supplied with information in a timely manner and in a form and of a quality appropriate to enable them to discharge their duties.	Yes	The Leadership Team's terms of reference set out that information will be circulated to the partners and the INEs on a timely basis.
1	A Firm should establish a Board or equivalent governance structure to oversee the activities of Management.	Yes	The terms of reference for the Board are available on the Firm's website.
2	At least half a Firm's Board should be selected from among partners who do not have significant management responsibilities within the Firm.	Yes	The current membership of the Board is in accordance with this provision of the code position.

3	The chair of the Board should not also chair parts of the management structure or be the managing partner.	Yes	As is set out in Appendix 1 , the chair of the Board is not the Managing Partner and does not chair any other part of the management structure of the Firm.
4	A Firm's Management and Board should have a clear understanding of their authority, accountabilities and responsibilities. The Board should have clearly defined terms of reference, with matters specifically reserved for its decision, detailing in particular its role in relation to Firm strategy, risk, culture and other matters relating to the purpose of this Code. Management should have terms of reference that include clear authority over the whole Firm and matters relating to the purpose of this Code. Terms of reference should be disclosed on the Firm's website. Terms of reference for international management and governance structures taking decisions that apply to the UK should be disclosed on the UK Firm's website in the same way as for UK-based structures.	Yes	Within the Leadership Team's terms of reference which are available on the Firm's website. There are no international management and governance structures that take decisions which apply to the Firm.
5	A Firm should establish arrangements for determining remuneration and progression matters for members of the Board which support and promote effective challenge of Management.	Yes	The terms of reference for the remuneration committee set out how this requirement is met. However, those terms of reference are not disclosed and therefore confirmation is not possible.
6	The individual members of a Firm's governance structures and Management should be subject to formal, rigorous and ongoing performance evaluation and, at regular intervals, members should be subject to re-election or re-selection.	Yes	Members of the Firm's governance structure and management are subject to performance evaluation and periodic re-selection. A formal policy which will demonstrate compliance is being developed for approval by the Board.
7	There should be a formal annual evaluation of the performance of the Board and any committees, plus the public interest body. A Firm should consider having a regular externally-facilitated Board evaluation at least every three years.	No	The Firm has a formal procedure for the evaluation and undertakes this internally. Consideration of whether an external evaluation of the Board will be considered during 2027.
8	Management should ensure that, wherever possible and so far as the law allows, members of governance structures and INEs and ANEs have access to the same information as is available to Management.	Yes	The INE contracts include the right of access to the management information of the Firm. However, these contracts are not disclosed and therefore confirmation is not possible.

9	A Firm should disclose in its annual transparency report: a) the names and job titles of all members of the Firm's governance structures and its Management; b) a description of how they are elected or appointed and their terms, length of service, meeting attendance in the year, and relevant biographical details; c) a description of how its governance structures and Management operate, their duties, the types of decisions they take and how they contribute to achieving the Code's purpose. If elements of the Management and/or governance of the Firm rest at an international level and decisions are taken outside the UK, it should specifically set out how management and oversight is undertaken at that level and the Code's purpose achieved in the UK; and d) an explanation of the controls it has in place on individual powers of decision and to support effective challenge by Board members, how these are intended to operate and how they work in practice.	Yes	Within the PKF Littlejohn Management section of this transparency report and <i>Appendix 1</i>. All elements of the Management and governance structure of the Firm rest at UK level.
B	People, Values and Behaviour		
F	A Firm is responsible for its purpose and values and for establishing and promoting an appropriate culture, that supports the consistent performance of high-quality audit, the Firm's role in serving the public interest and the long-term sustainability of the Firm.	Yes	Reflected in the Board's governance principles, the Board's terms of reference and the Firm's values and principles as set out on our website. However the Board's governance principles document is not disclosed and therefore confirmation is not possible.
G	A Firm should foster and maintain a culture of openness which encourages people to consult, challenge, contribute ideas and share problems, knowledge and experience in order to achieve quality work in a way that takes the public interest into consideration.	Yes	This is embedded throughout the Firm's values.
H	A Firm should apply policies and procedures for managing people across the whole Firm that support its commitment to the purpose and Principles of this Code.	Yes	This is embedded throughout the Firm's values.

10	A Firm's Board and Management should establish the Firm's purpose and values and satisfy themselves that its purpose, values and culture are aligned. If a Firm's purpose and values are established at an international level, the Firm should ensure it has the ability to influence that decision-making process and the ability to tailor the output for the UK.	Yes	The Leadership Team are responsible for establishing the Firm's purpose and values and ensuring that the purpose, values and culture are aligned. This is demonstrated in the record of Leadership Team discussions however; these records are not disclosed and so confirmation is not possible. The Firm's purpose and values are established in the UK and not at an international level.
11	A Firm should have a code of conduct which it discloses on its website and requires everyone in the Firm to apply. The Board and INEs should oversee compliance with it.	Yes	The Code of Conduct which everyone in the Firm must apply is available on the Firm's website.
12	A Firm should promote the desired culture and a commitment to quality work, professional judgement and values, serving the public interest and compliance with professional standards and applicable legal and regulatory requirements, in particular through the right tone at the top and the Firm's policies and procedures.	Yes	Reflected in the Board's governance principles and the Firm's Values as set out on the website.
13	A Firm should establish policies and procedures to promote inclusion and encourage people to speak up and challenge without fear of reprisal, particularly on matters relating to this Code and the Firm's values and culture.	Yes	In the resources section of this Transparency Report.
14	A Firm should introduce meaningful key performance indicators on the performance of its governance system, and report on performance against these in its transparency reports.	Yes	<i>PKF Littlejohn Management</i> and <i>Appendix 1</i> provide information on the key performance indicators currently used by the Firm to monitor its governance system.
15	A Firm should assess and monitor culture. It should conduct a regular review of the effectiveness of the Firm's systems for the promotion and embedding of an appropriate culture underpinned by sound values and behaviour across the Firm, and in audit in particular. INEs should be involved in this review and where a Firm has implemented operational separation the ANEs should be involved in the review as it relates to the audit practice. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the purpose of this Code, it should take corrective action.	Yes	The Firm is assessing the process to review the effectiveness of the Firm's systems for the promotion and embedding of an appropriate culture. This process will be completed on a regular basis with the involvement of the INEs from 2026 onwards. The Firm undertook the third annual Firmwide 'Have your Say' survey in the year and organised subsequent focus groups in order to monitor the culture of the Firm. The Firm has not implemented operational separation.

16	A Firm should establish mechanisms for delivering meaningful engagement with its people. This should include arrangements for people to raise concerns in confidence and anonymously and to report, without fear, concerns about the Firm's culture, commitment to quality work, the public interest and/or professional judgement and values. The INEs should be satisfied that there is an effective whistleblowing policy and procedure in place and should monitor issues raised under that process.	Yes	The engagement with the staff of the Firm and resources sections of this transparency report set out the arrangements put in place by the Firm.
17	INEs should be involved in reviewing people management policies and procedures, including remuneration and incentive structures, recruitment and promotion processes, training and development activities, and diversity and inclusion, to ensure that the public interest is protected. They should monitor the Firm's success at attracting and managing talent, particularly in the audit practice. Where operational separation is in place the ANEs should be involved in this process.	Yes	The involvement of the INEs in these areas is set out within the PIC report which is a section of this transparency report. Operational separation is not in place at the Firm.
18	INEs and ANEs should use a range of data and engagement mechanisms to understand the views of colleagues throughout the Firm and to communicate about their own roles and the purpose of this Code. One INE should be designated as having primary responsibility for engaging with the Firm's people.	Yes	The interaction of the INEs with a range of colleagues is set out with their report which is a section of this transparency report.
19	A Firm should disclose in its annual transparency report a description of how: a) it engages with its people and how the interests of its people have been taken into account in decision making; and b) opportunities and risks to the future success of the business have been considered and addressed, its approach to attracting and managing talent, the sustainability of the Firm's business model and how its culture, in particular in the audit practice, contributes to meeting the purpose of this Code.	Yes	The engagement with the staff of the Firm section of this transparency report sets out the arrangements put in place by the Firm.

C	Operations and Resilience		
I	A Firm should promote a commitment to consistent high-quality audits and Firm resilience in the way it operates. To these ends, a Firm should collect and assess management information to evaluate the effectiveness of its policies and procedures and to enhance its operational decision-making.	Yes	The Board receives reports detailing the results of the reviews of the effectiveness of the policies, and procedures of the Firm which are overseen by the Professional Standards Committee of the Firm This is demonstrated in the record of Board discussions and conclusions however; this record is not disclosed and so confirmation is not possible.
J	A Firm should establish policies and procedures to identify, assess and manage risk, embed the internal control framework and determine the nature and extent of the principal risks the Firm is willing to take while working to meet the purpose of this Code.	Yes	As set out in the terms of reference for the Board , the Board is responsible for carrying out this assessment and maintains a risk register accordingly.
K	A Firm should communicate with its regulators in an open, co-operative and transparent manner.	Yes	The approach required by the code is embedded in the values of the Firm.
L	A Firm should establish policies and procedures to ensure the independence and effectiveness of internal and external audit activities and to monitor the quality of external reporting.	Yes	The Audit and Risk Committee is responsible for this principle of the AFGC. The terms of reference and a report of its recent activity of this committee is provided on the website .
20	A Firm should assist the FRC and its successor bodies to discharge its duties by sharing information openly.	Yes	The approach required by the code is embedded in the values of the Firm.
21	A Firm should take action to address areas of concern identified by regulators in relation to the Firm's audit work, leadership and governance, culture, management information, risk management and internal control systems.	Yes	The terms of reference of the Board and the Leadership Team govern this.
22	A Firm should develop robust datasets and effective management information to support monitoring of the effectiveness of its activities, including by INEs (and ANEs), and its ability to furnish the regulator with information.	Yes	The records of discussion for the Board and Leadership Team include the monitoring and the activities of the Firm. However these records are not disclosed and therefore confirmation is not possible.

23	A Firm should establish an audit committee and disclose on its website its terms of reference and information on its membership. Its terms of reference should set out clearly its authority and duties, including its duties in relation to the appointment and independence of the Firm's auditors. Where a Firm's audit committee sits at an international level, information about the committee and its work should be disclosed by the UK Firm as if it were based in the UK.	Yes	The terms of reference of the Audit and Risk Committee are provided on the Firm's website The Audit and Risk Committee is a UK committee.
24	A Firm should monitor its risk management and internal control systems, and, at least annually, conduct a review of their effectiveness. INEs should be involved in the review which should cover all significant controls, including financial, operational and compliance controls and risk management systems.	Yes	This is set out in the report of the PIC.
25	A Firm should carry out a robust assessment of the principal risks facing it, including those that would threaten its business model, future performance, solvency or liquidity. This should reference specifically the sustainability of the audit practice in the UK. INEs (and in Firms with operational separation, ANEs) should be involved in this assessment.	Yes	The Board's review of the risk register for the Firm is included in the Board record of discussion. However this document is not disclosed and therefore confirmation is not possible. Appendix 7 includes the most significant risks.
26	A Firm should publicly report how it has applied the Principles of this Code and make a statement on its compliance with its Provisions or give a detailed explanation for any non-compliance, i.e. why the Firm has not complied with the Provision, the alternative arrangements in place and how these work to achieve the desired outcome (Principle) and the purpose of this Code.	Yes	This appendix to the transparency report states how the Firm applies the Principles of the 2022 Audit Firm Governance Code.
27	A Firm should explain who is responsible for preparing the financial statements and the Firm's auditors should make a statement about their reporting responsibilities in the form of an extended audit report as required by International Auditing Standards (UK) 700/701.	Yes	The Firm's financial statements are prepared by the Chief Financial Officer and reviewed by the Audit and Risk Committee and subsequently the Board. An extended audit report is issued on the financial statements. The financial statements are publicly available on the Register of Companies at Companies House.

28	The transparency report should be fair, balanced and understandable in its entirety. A Firm should disclose in its transparency report: a) a commentary on its performance, position and prospects; b) how it has worked to meet the legal and regulatory framework within which it operates; c) a description of the work of the Firm's audit committee and how it has discharged its duties; d) that it has performed a review of the effectiveness of the system of internal control, a summary of the process it has applied and the necessary actions that have been or are being taken to remedy any significant failings or weaknesses identified from that review; e) a description of the process it has applied to deal with material internal control aspects of any significant problems disclosed in its financial statements or management commentary; f) an assessment of the principal risks facing the Firm and explanation of how they are being managed or mitigated; and g) a description of how it interacts with the Firm's global network, and the benefits and risks of these arrangements, with reference to the purpose of this Code. This should include an assessment of any risks to the resilience of the UK Firm arising from the network and any action taken to mitigate those risks.	Yes	Compliance is demonstrated throughout this transparency report.
D	INEs and ANEs		
M	A Firm should appoint INEs to the governance structure who through their involvement collectively enhance the Firm's performance in meeting the purpose of this Code. INEs should be positioned so that they can observe, challenge and influence decision-making in the Firm.	Yes	The role and positioning of the INEs is set out in the Independent Non-Executives section of this transparency report.
N	INEs (and ANEs) should provide constructive challenge and specialist advice with a focus on the public interest. They should assess and promote the public interest in Firm operations and activities as they relate to the purpose of this Code, forming their own views on where the public interest lies.	Yes	The contract for services for each INE set out that this is a key aspect of their role. However, these contracts are not disclosed and therefore confirmation is not possible.

O	INEs (and ANEs) should maintain and demonstrate objectivity and an independent mindset throughout their tenure. Collectively they should enhance public confidence by virtue of their independence, number, stature, diverse skillsets, backgrounds, experience and expertise. They should have a combination of relevant skills, knowledge and experience, including of audit and a regulated sector. They owe a duty of care to the Firm and should command the respect of the Firm's owners.	Yes	The approach to their adopted by the INEs is set out in the report of the PIC which forms part of this transparency report. The biographies of the INEs included in Appendix 1 set out the backgrounds, experience and expertise of each INE.
P	INEs (and ANEs) should have sufficient time to meet their responsibilities. INEs (and ANEs) should have rights consistent with discharging their responsibilities effectively, including a right of access to relevant information and people to the extent permitted by law or regulation, and a right, individually or collectively, to report a fundamental disagreement regarding the Firm to its owners and, where ultimately this cannot be resolved and the independent non-executive resigns, to report this resignation publicly.	Yes	The contract for services for each INE set out the time available to and rights of access for each INE which align with the Code. However, these contracts are not disclosed and therefore confirmation is not possible.
Q	INEs (and ANEs) should have an open dialogue with the regulator.	Yes	This is an expectation of the INEs and is set out in their contract for services. However, these contracts are not disclosed and therefore confirmation is not possible.
29	INEs should number at least three, be in the majority on a body chaired by an INE that oversees public interest matters and be embedded in other relevant governance structures within the Firm as members or formal attendees with participation rights. If a Firm considers that having three INEs is unnecessary given its size or the number of public interest entities it audits, it should explain this in its transparency report and ensure a minimum of two at all times. At least one INE should have competence in accounting and/or auditing, gained for example from a role on an audit committee, in a company's finance function or at an audit Firm.	No	As set out in the Independent Non-Executives section of this transparency report, the Firm currently has two INEs. The reasons for this are set out within that section. Once of the INEs has competence in accounting and/or auditing and is a former Partner and Chairman of an audit Firm.
30	INEs should meet regularly as a private group to discuss matters relating to their remit. Where a Firm adopts an international approach to its management and/or governance it should have at least three INEs with specific responsibility and relevant experience to focus on the UK business and to take part in governance arrangements for this jurisdiction. The Firm should disclose on its website the terms of reference and composition of any governance structures whose membership includes INEs, whether in the UK or another jurisdiction.	Yes	As is set out in the Report of the PIC which forms part of this transparency report the INEs meet as part of the PIC to discuss matters relevant to their remit. All of the management and governance of the Firm is within the UK. The terms of reference of the governance structure are set out or links provided within this transparency report.

31	INEs should have full visibility of the entirety of the business. They should assess the impact of Firm strategy, culture, senior appointments, financial performance and position, operational policies and procedures including client management processes, and global network initiatives on the Firm and the audit practice in particular. They should pay particular attention to and report in the transparency report on how they have worked to address: risks to audit quality; the public interest in a Firm's activities and how it is taken into account; and risks to the operational and financial resilience of the Firm.	Yes	Within the Report of the PIC which forms part of this transparency report.
32	A Firm should establish a nomination committee, with participation from at least one INE, to lead the process for appointments and re-appointments of INEs (and ANEs), to conduct a regular assessment of gaps in the diversity of their skills and experience and to ensure a succession plan is in place. The nomination committee should assess the time commitment for the role and, when making new appointments, should take into account other demands on INEs' (and ANEs') time. Prior to appointment, significant commitments should be disclosed with an indication of the time involved. Additional external appointments should not be undertaken without prior consultation with the nomination committee.	Yes	The Firm has established a nomination committee, consisting of the Managing Partner and the Chairman.
33	A Firm should provide access for INEs to relevant information on the activities of the global network such that they can monitor the impact of the network on the operations and resilience of the UK Firm and the public interest in the UK.	Yes	The contract for services for each INE set the right of access to this information. However, these contracts are not disclosed and therefore confirmation is not possible.
34	INEs should have regular contact with the Ethics Partner, who should under the ethical standards have direct access to them.	Yes	Within the Report of the PIC which forms part of this transparency report.
35	INEs should have dialogue with audit committees and investors to build their understanding of the user experience of audit and to develop a collective view of the way in which their Firm operates in practice.	Yes	The INE's commenced a program of interaction and dialogue with audit committees and investors from the prior year.
36	Firms should agree with each INE (and ANE) a contract for services setting out their rights and duties. INEs (and ANEs) should be appointed for specific terms and have a maximum tenure of nine years in total.	Yes	A contract for services is in place for INE. However these contracts are not disclosed and therefore confirmation is not possible.

37	The Firm should provide each INE (and ANE) with the resources necessary to undertake their duties including appropriate induction, training and development, indemnity insurance and access to independent professional advice at the Firm's expense where an INE or ANE judges such advice necessary to discharge their duties.	Yes	The availability of sufficient resources is confirmed in the contract for services of each INE. However these contracts are not disclosed and therefore confirmation is not possible.
38	The Firm should establish, and disclose on its website, well defined and clear escalation procedures compatible with Principle P, for dealing with any fundamental disagreement that cannot otherwise be resolved between the INEs (and /or ANEs) and members of the Firm's Management and/or governance structures.	No	The procedures are not disclosed on the website but are described within the Independent Non-Executives section.
39	An INE (and / or ANE) should alert the regulator as soon as possible to their concerns in the following circumstances: - the INE or ANE believes the Firm is acting contrary to the public interest; or - the INE or ANE believes the Firm is endangering the objectives of this Code; or - the INE or ANE initiates the procedure for fundamental disagreements.	Yes	This is embedded in the Firm's values which the INEs adopt and apply.
40	A Firm should disclose in its annual transparency report: a) information about the appointment, retirement and resignation of INEs (and ANEs); their remuneration; their duties and the arrangements by which they discharge those duties; and the obligations of the Firm to support them. The Firm should report on why it has chosen to position its INEs in the way it has; and b) its criteria for assessing whether INEs (and ANEs) are: i) independent from the Firm and its owners; and ii) independent from its audited entities.	Yes	Within the Independent Non-Executives section of this transparency report.

E	Operational Separation		
R	Where a Firm applies the Principles for Operational Separation ¹² , has established an Audit Board with a majority of ANEs ¹³ and is subject to regulatory monitoring of these arrangements, ANEs will fulfil the responsibilities of INEs under this Code in so far as these relate to the audit practice. A Firm's INEs will focus on representing the public interest in high quality audit at the Firm-wide level as well as on the public interest in Firm activities in non-audit parts of the business and the risks posed by these non-audit activities to the audit practice. In fulfilling their role ANEs should follow the Principles set out in section D as applied to the audit practice.	N/A	The Firm has not opted to adopt the Operational Separation principles and provisions of the 2022 Audit Firm Governance Code.
S	INEs should rely on ANEs to provide independent oversight of audit quality plans, audit strategy and remuneration in the audit practice. ANEs should rely on the INEs to monitor activities at the Firm-wide and network levels for their potential impact on the audit practice.	N/A	The Firm has not opted to adopt the Operational Separation principles and provisions of the 2022 Audit Firm Governance Code.
41	ANEs should have the same obligations regarding time commitment, independence and objectivity as INEs. They should focus their attention on the audit practice in accordance with the Principles for Operational Separation ¹⁴ . The Audit Board should have the authority to act independently of the Firm-wide public interest body.	N/A	The Firm has not opted to adopt the Operational Separation principles and provisions of the 2022 Audit Firm Governance Code.
42	INEs should participate in governance structures operating across the entirety of the Firm and pursue the purpose of this Code at the Firm-wide level. They should: i) monitor the activities of the wider Firm and global network for their potential to affect audit quality and the resilience of the audit practice; and ii) ensure the Firm takes account of the public interest in its wider decision making.	N/A	The Firm has not opted to adopt the Operational Separation principles and provisions of the 2022 Audit Firm Governance Code.
43	INEs and ANEs should maintain open dialogue, consult on matters of public interest and share information with one another to the extent this is relevant for the Audit Board's oversight of the audit practice and/or the effective discharge of the INEs' responsibilities at the Firm-wide level. They should inform one another in the event they invoke the procedure for fundamental disagreements.	N/A	The Firm has not opted to adopt the Operational Separation principles and provisions of the 2022 Audit Firm Governance Code.



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