

The partners of Beaver and Struthers are pleased to present the Firm's Transparency Report covering the year to 30 September 2023. It is prepared to comply with Article 13 of Regulation No 537/2014 of the European Parliament as retained in UK law.

### Beever and Struthers at a glance

Beever and Struthers provide a full range of accountancy and advisory services including accounts preparation, statutory audit, assurance, corporate finance, corporate recovery, insolvency, taxation, and payroll.



### Beever and Struthers' vision, purpose and values

We revisited our vision and values in 2022, setting out the importance to us of trust, our clients, our people, and the world in which we live.

**Our vision** is to be a first-choice trusted advisor for businesses and a first-choice trusted employer for talent.

**Our purpose** is to help our clients achieve more by exceeding expectations, maintaining consistently high-quality standards and believing that better is always achievable. As a result, we will continue to be recognised as a leading independent Firm in the UK and our colleagues will achieve more through a training and learning experience that is second to none.

### How we plan to achieve our ambitions

The success of the Firm is all about people, our colleagues. Key to this is our strategy for recruiting and retaining the right people, reducing colleague turnover and improving our colleague experience. We are committed to ensuring that all our colleagues receive regular and relevant training in order to carry out work to the highest possible quality.

We have a dedicated Technology Strategy Group that listens to colleagues and embraces new technology to implement solutions across the Firm to improve both colleague and client experience. The strategy is to standardise, simplify and grow.

### Culture

We have a positive culture, embracing the skills of every one of our colleagues and team with a focus on high standards of quality service and work.

Our hybrid working policy helps colleagues achieve the right balance of working at home, client sites and in our new, modern offices. This is managed closely within the audit team to ensure junior and new members of the team work more frequently with experienced colleagues, at client sites and in the office, to ensure they develop the full range of skills and experience required to become an effective auditor.

Throughout the year, a programme of knowledge sharing sessions with all staff further communicates our strategy and important messages, embedding our culture and values and outlining how we will achieve our purpose together. This sits within a supportive and collaborative environment with a programme of wellbeing initiatives for colleagues to engage with on a day-to-day basis.

## Our values

Be authentic and show our character as individuals and as a firm.

This means we:



- Will act with integrity, respecting others, working together to achieve better.
- Put our colleagues and clients at the heart of all we do.
- Are proud of what we do, yet always look to improve.
- Are innovative, embracing change and looking to learn from experience.
- Consider our local communities and the wider environment in all our decision making.

## Legal Structure and ownership

Beever and Struthers is a partnership. All professional services are carried out through one Firm.

The Firm is owned by 18 partners, all of whom are members of either the Institute of Chartered Accountants in England and Wales (“ICAEW”) or hold the necessary affiliate status required for the Firm to be audit registered.

## Affiliation

Beever and Struthers is a member of HLB UK, which is a member of HLB International. HLB International is a world-wide organisation of professional accounting Firms and business advisers, each of which is a separate and independent legal entity and as such has no liability for the acts and omissions of any other member. HLB International Limited is an English company limited by guarantee which co-ordinates the international activities of the HLB International organisation but provides no professional services to clients. Accordingly, HLB International Limited has no liability for the acts and omissions of any member of the HLB International organisation, and vice versa.



The Firm has considered whether HLB UK and/or HLB International constitute a network for the purposes of the Regulations, based on the attributes included in the relevant definition of the Regulations and that of International Standard on Quality Management 1 (ISQM 1). The Firm concludes that neither HLB UK nor HLB International is a network.

## Financial Information

Analysis of revenue for the year ended 30 September	2023 £m	2022 £m
Revenue from the audit of Public Interest Entities	1.234	1.097
Revenue from other statutory audit work	7.335	6.069
Revenue from non-audit services provided to audited entities	1.521	1.221
Revenue from non-audit services provided to non-audit clients	7.848	7.168
<b>Total revenue</b>	<b>17.938</b>	<b>15.555</b>

The provision of any non-audit services to audited entities is subject to the review highlighted below.

## Governance

The Firm is owned by the partners. Voting rights are assigned via the Partnership Deed.

In accordance with the Partnership Deed, partners attend full partner meetings at least twice each year and participate in the strategy setting and decision-making process regarding the running of the Firm.

The control and management of the Partnership remains in the hands of the partners. Those partners with an appropriate qualification (including grandfathered EEA auditors and equivalent EEA auditors) hold no less than 75% of voting rights.

**Maria Hallows and Caroline Monk are Executive Partners** of the Firm and lead the practice, setting the tone at the top for audit quality. They have appropriate experience, knowledge, influence, and authority within the Firm, and sufficient time to fulfil their assigned responsibilities.



**Caroline Monk**  
Executive Partner

Matters relating to the operational management of the practice and implementation of partners' decisions are undertaken by the Operations Board which is led by both Executive Partners.

The other members of the Operations Board, who are not partners, are the Human Resources Director, the Marketing and Business Development Director, the Practice Manager, and the Head of Information Technology.



**Maria Hallows**  
Executive Partner

Whilst various responsibilities are delegated to partners individually, the Firm is not of such a size to require sub-committees.

## Basis of remuneration of partners

The allocation of profit to each partner is established principally by reference to the Partnership Deed. However, in determining individual allocations, the firm's assessment of partner performance is taken into account and this includes consideration of audit quality. Audit partners are not remunerated by reference to the sale of non-audit services to audited entities, thereby assisting in maintaining the independence of the audit function where non-audit services are provided. Staff progression is dependent on achieving set expectations, including consideration of audit quality.

## Our commitment to audit

Over recent years the audit reform agenda has led to focused scrutiny on the quality of work in the profession and also its future.

In responding to this, the Firm's current focus and commitment is to meet the expectations of our clients and regulators ensuring that we maintain and drive high audit quality in the short term, whilst developing our colleagues, tools, and resources to be fit for purpose and ready to embrace the changes in the medium and longer term.

## Risk management

The Firm has a formal risk management process which is monitored by the partners. This process evolves alongside the Firm's System of Quality Management (SoQM) required under International Standard on Quality Management 1 (ISQM). The most significant areas of risk identified, can be found at Appendix A.

**Commitment to a system of internal control and quality management for audit**



The International Standard on Quality Management 1 (ISQM1) and International System on Quality Management 2 (ISQM2), Engagement Quality Reviews, were implemented prior to 15 December 2022.

As part of our implementation process, we performed a gap analysis between our existing policies and procedures and the requirements of the ISQM. As a result, we introduced new or updated certain policies and procedures during 2023. The changes we made related primarily to the Firm’s Risk Assessment Process, EQR policy and procedures, Root Cause Analysis (RCA), consultation and second partner review policy, and policies and procedures relating to the use of service providers.

The compliance team carried out an evaluation of our system of quality management (SoQM) in November 2023. We found that it provides the firm with reasonable assurance that the objectives of the SoQM are being achieved, subject to some deficiencies with a ‘severe but non-pervasive impact on the design, implementation and operation’ of the SoQM.

The deficiencies related to compliance with our new RCA and EQR policies and procedures. Remedial action is planned for early 2024.

## System of Quality Management

### Compliance Oversight responsibility



Sue Hutchinson  
Partner

**Sue Hutchinson, Partner and the Audit Compliance Principal**, is responsible for ensuring that the Firm establishes and maintains suitable quality policies and processes, including the maintenance of an appropriate documented System of Quality Management (SoQM) within the Firm. She is responsible for the development, documentation, and communication of these matters within the Firm so that all staff are familiar with its content.

Sue is also responsible for ensuring that the Firm has complied, and will continue to comply, with Audit and Public Interest Entity (PIE) Auditor Registration Regulations and is the first point of contact with the ICAEW and FRC from a compliance perspective.

**Rob Greaves joined the Firm in January 2024 as Audit Quality and Compliance Director** to support Sue in her role as ACP. Rob has a background in audit and audit regulation and will help us drive continuous and incremental improvements in audit quality, as well as ensuring we continue to proactively navigate the dynamic regulatory audit landscape.

**Helen Ruane was appointed Head of Compliance** in January 2023. On a day-to-day basis, she works closely with Sue and Rob in ensuring the Firm complies with its policies and procedures, including Anti Money Laundering (AML) and ISQM.

### Relevant ethical requirements

Sue is also the Firm's Ethics Partner, responsible for ensuring that the Firm has complied, and will continue to comply, with the relevant Financial Reporting Council's Ethical Standard.

Ongoing ethical matters, including the provision of non-audit services to audited entities, are considered prior to the commencement of each individual audit assignment and in consultation with the Ethics Partner in certain situations. Where we do not consider that adequate safeguards can be put in place to manage the ethical threats posed by the provision of non-audit services, the assignment is declined.

The detailed responsibilities of the Ethics Partner are set out in the Firm's Audit Policies and Procedures document. Ethics training is provided on a regular basis to ensure that all partners and staff are aware of the requirements.

### Independence procedures

All partners and staff are required to complete Fit and Proper, Confidentiality and Independence declarations on joining the Firm and annually thereafter. A confidential database is maintained and updated annually noting any exceptions identified as part of this process. Sue reviews this at least annually and ensures any appropriate safeguards have been put in place. Any exceptions highlighted as part of this review are notified to the Compliance Team and the database is updated accordingly. Safeguards are put in place as necessary.

Prior to the commencement of each audit, the Firm's independence is reviewed. This includes consideration of whether any non-audit services provided by the Firm to audited entities may impact on its actual or perceived independence. This review is updated again before the audit opinion is issued.

The Firm's Audit Policies and Procedures require rotation of audit partners in line with the FRC's Ethical Standard. This includes no RIs being permitted to act on a PIE, or other listed entity engagement, for a period exceeding five years. Following rotation, a cooling off period of five years is required before an audit partner or RI may participate in the engagement. Where other senior staff have been involved on such engagements for a period exceeding seven years, the audit partner will ensure that appropriate safeguards are put in place and will discuss the matter with the Ethics Partner.

For engagements other than PIES or other listed entities, safeguards are applied where an audit partner has acted in this role for a period of ten years or more.

The Firm's Audit Policies and Procedures set out certain criteria where an Engagement Quality Review is required, as well as the rotation and cooling off procedures, in line with the FRC's Ethical Standard. This includes all PIE audits and those engagements with significant risk and consideration is also given to review requirements for newly appointed and employee RIs.

#### Acceptance and continuance of client relationships and specific engagements

The firm is committed to providing the highest standards of client care and service. We therefore ensure that, before accepting an assignment, the relevant partners and staff have the appropriate skills and knowledge to undertake the assignment including consideration of any sector specific training that may be required in order to complete the assignment to the highest quality.

Clients are subject to detailed acceptance and continuance procedures, including conflict checking, in line with ISA requirements, and subject to AML checks.

When there is any doubt, acceptance of the client will be discussed with the Ethics Partner, **Sue Hutchinson**, and the Firm's Money Laundering Reporting Officer (MLRO), **Suzanne Lomax, Partner**.

#### Engagement performance

The Firm uses a proprietary audit manual and work programme.

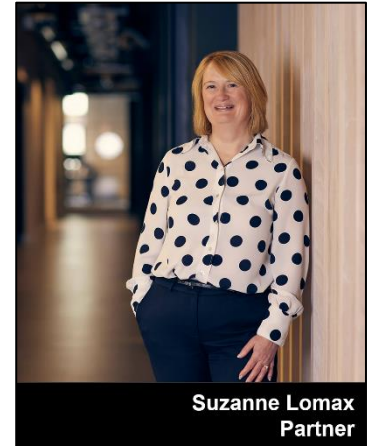
The audit planning process ensures that the audit work is focused to the specific requirements of the assignment and roles and responsibilities are established for managing and achieving quality on the engagement. The engagement partner/director has the responsibility to ensure they are sufficiently and appropriately involved throughout the engagement. Engagement team discussions are held for each audit.

All audits are subject to both Audit Manager and RI review with timely feedback discussed within engagement teams to exercise appropriate professional judgment and scepticism. The Firm has established a Consultation Policy which outlines the requirements for consultation and for dealing with difficult or contentious matters and differences of opinion within the engagement team, or between the engagement team and the engagement quality reviewer.

The Firm also ensures that audit file documentation is maintained to a high-quality standard through regular training. Audit and accounting update courses are provided to all audit staff across all four locations, twice a year, using an external training provider in addition to various internal training sessions that we run throughout the year.

We use an external cold file reviewer to select a sample of audit files for review on an annual basis, ensuring that each RI is included to assess their and the engagement team's competence and performance.

Root Cause Analysis (RCA) is incorporated into the cold file review process, along with trend analysis, which is used to identify any further training requirements. This is supplemented by peer reviews on a sample of PIE engagements.





## Resources



Jo Rigby  
HR Director

**Jo Rigby, HR Director**, is responsible for Human Resource (HR) matters and the development and maintenance of the Firm's HR procedures covering quality of staff, recruitment, retention, grievances, and appraisals. Jo also leads on the Firm's Training and Development and Wellbeing programmes.

The Firm has established policies and procedures to ensure sufficient numbers of personnel are hired, developed and retained and have the competence and capabilities to carry out their work to a high quality.

We understand the importance of good work and performance. We have in place annual promotions, health and wellbeing packages as well as long service awards for those who have invested their career in the Firm.

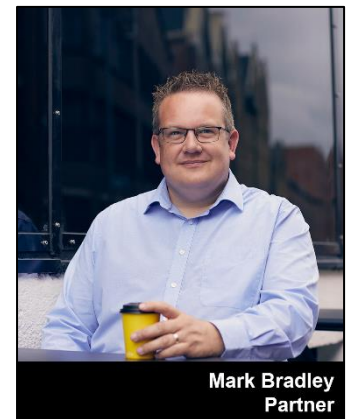
Staff remuneration and reward is reviewed and agreed by all of the partners at least annually and this includes a review of performance in the role, including the quality of audit work.

## Training

**Mark Bradley, Partner**, is the qualified person responsible for training, ensuring that the Firm provides a structured training programme for all of the Firm's accountancy trainees on the various training programmes that we offer, including Beevers Academy.

We are committed to ensuring that all the Firm's staff maintain up to date relevant training in order to deliver assignments of the highest possible quality. All professional staff and partners who are not studying for examinations undertake Continuing Professional Development ("CPD").

Specific training requirements are considered via the appraisal process and all staff are required to undertake relevant training. All audit staff maintain CPD records in the "Reflect, Act, Impact" format recommended by the ICAEW. In addition, RIs ensure that their records comply with the requirements of International Education Standard (IES) 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements.



Mark Bradley  
Partner

## Information and communication

Our positive culture ensures the maintenance of relevant and reliable information that supports the system of quality management, from both internal or external sources through the exchange of information with the Firm and with one another. Information is exchanged in a number of ways through formal Policies and Procedures, Partner, RI and departmental meetings and technical training. This is further supported through communication of key messages in lunch and learn sessions, email, Microsoft Teams messaging and face to face communication in engagement teams.

The Firm has implemented Service Provider Policy and Procedures which includes an annual checklist for communicating with and reviewing the service providers quality of work.

The Head of Compliance maintains a calendar of the activities the Firm carries out to ensure compliance with relevant laws and regulations and to ensure all annual and regulatory returns are submitted on time.

### Monitoring and Remediation

As of 30 September 2023, the Firm had fifteen clients that fell within the remit of inspection by the FRC’s Audit Quality Review Team (AQRT). A review by the AQRT took place from November 2021 to April 2022, with a report being issued in May 2022. The Firm was not reviewed in 2023.

The key area identified for improvement at the most recent AQRT visit was testing of the valuation of assets in defined benefit pension schemes.

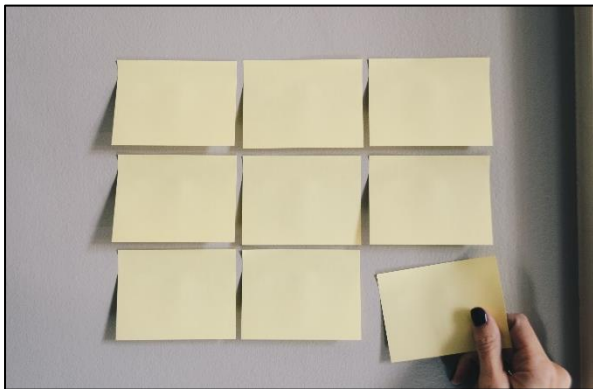
The firm is also subject to regular monitoring visits by the Quality Assurance Department (“QAD”) of the ICAEW, with the last review taking place from January to April 2022.



The key areas identified for improvements were testing the completeness of revenue and documentation of judgements.

Neither of the visits identified serious or systemic shortcomings in the Firm’s work. The findings raised during the visits were fed back to individual teams responsible for the assignments reviewed and to the audit team as a whole. The Firm designed and undertook appropriate and proportionate responses to the findings raised, including providing additional training and guidance to staff.

As well as receiving regulatory monitoring visits, the firm operates a continuous system of annual Cold File Reviews (CFR) which are undertaken by an external training provider and overseen by the firm’s Audit Compliance Principal. All of the firm’s active RIs were reviewed during this financial year.



We continue to develop the CFR feedback framework to examine audit quality for individual RIs, EQRs and staff to:

- Identify trends over successive periods;
- Implement an escalation process where there is a trend of poor quality;
- Identify actions that will be taken; and
- Identify best practice to be shared with audit colleagues.

Feedback from CFRs is included in individual RI and staff appraisals.

We also undertake an annual practice assurance compliance review.

Any matters identified through the Firm’s monitoring and remediation processes are dealt with as appropriate and a rolling action plan is maintained in order to monitor progress against issues raised.

Findings are also discussed at regular partner meetings and departmental meetings as part of on-going monitoring and assessment of the system of quality management.



**The Public Interest Entities we work with**

During the year ended 30 September 2023 the Firm acted as auditor to the following clients which fall within the definition of a Public Interest Entity (PIE) as defined by the FRC following the implementation of the EU Audit Directive in June 2016.

- B3 Living Limited
- Birmingham Bank Limited
- Bromford Housing Group Limited
- ClwydAlyn Housing Association (PenArian Housing Finance plc)
- Citizen Housing Group Limited (Citizen Treasury plc)
- Grand Union Housing Group Limited (Grand Union Group Funding plc)
- Housing 21
- Karbon Homes Limited
- Lincolnshire Housing Partnership (Boston Mayflower Finance plc)
- Methodist Chapel Aid Limited
- Saxon Weald (Saxon Weald Capital plc)
- Thrive Homes Limited (Thrive Homes Finance plc)
- Walsall Housing Group Limited (WHG Treasury plc)
- The Wrekin Housing Group Limited
- Yorkshire Housing Limited (Yorkshire Housing Finance plc)

From December 2023, we were appointed as auditor of the following Public Interest Entities (PIEs):

- Hastoe Housing Association (Hastoe Capital plc)
- Longhurst Group Ltd (Libra (Longhurst Group) Treasury plc) & (Libra (Longhurst Group) Treasury 2 plc)

We are also appointed as auditor of:

- Capital for Colleagues plc, a company listed on the AQSE Growth Market, market capital is less than £200m.
- Great Places Housing Group Limited, a Co-operative and Community Benefit Society with debt listed on the Professional Securities Market.
- Hexagon Housing Association, a Co-operative and Community Benefit Society with debt listed on the International Securities Market (appointed since 1 October 2022).
- Jigsaw Homes Group Limited (Jigsaw Funding plc), a Co-operative and Community Benefit Society with debt listed on the International Securities Market (appointed since 6 May 2022).

The Firm and 6 RIs have been appointed to the Public Interest Entity (PIE) Auditor Register since 5 December 2022.

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Key risks	Firm responses
<p><b>Recruitment and retention</b></p> <ul style="list-style-type: none"> <li>• Risk of failure to attract and retain the right talent.</li> <li>• Risk of resource gaps</li> </ul>	<ul style="list-style-type: none"> <li>• Benchmarking review of benefits and remuneration to ensure competitive.</li> <li>• Implementing a career development framework linked to core competencies.</li> <li>• Commitment to work life balance, with hybrid office working.</li> <li>• Programme of engagement activities and development of health and wellbeing programmes.</li> <li>• Succession planning for partners and senior management and specific targeted recruitment drives.</li> <li>• Structured student training and development programme which recognises performance in both exams and role.</li> <li>• Active recruitment linked to skills needs of the smaller groups and sectors, flexible study arrangements, review of recognition and reward and the managed use of additional audit resource through service providers, especially through peak periods.</li> <li>• Project group to develop and implement technology, consisting of people at all levels and those recruited with appropriate skills to support our vision and strategy. Current projects include reviewing and developing new audit software, as well as the use of data analytics.</li> </ul>
<p><b>Embracing technology within our working practice</b></p> <ul style="list-style-type: none"> <li>• Risk of failure to remain current</li> </ul>	<ul style="list-style-type: none"> <li>• Technology Strategy group formed to oversee, identify and monitor use of technology within the Firm, including the emerging opportunities and threats associated with Generative Artificial Intelligence (AI).</li> <li>• Head of Technology promoting technology adoption within the Firm with the mantra 'standardise, simplify and grow'.</li> <li>• Regular attendance at conferences and events where technology advances are showcased.</li> </ul>
<p><b>Cyber security</b></p> <ul style="list-style-type: none"> <li>• Risk of leakage of Firm/client data.</li> <li>• Risk of ransomware attacks.</li> </ul>	<ul style="list-style-type: none"> <li>• Adopted Cyber Essentials accreditation.</li> <li>• Management of all email communication and software security on all devices.</li> <li>• Regular training for all staff, including testing and assessments throughout the year.</li> <li>• Regular attendance at conferences and events where cyber security threats are discussed.</li> </ul>

<p><b>Compliance and meeting Regulatory Standards</b></p> <ul style="list-style-type: none"> <li>• Risk of competence and capacity.</li> </ul>	<ul style="list-style-type: none"> <li>• Investment in Compliance Team skills and experience. Compliance Director joined the firm in January 2024.</li> <li>• Annual evaluation of compliance with regulatory requirements and policies and procedures.</li> <li>• Regular review of Firm and audit quality risk registers.</li> </ul>
<p><b>Regulatory Developments impacting the Firm</b></p> <ul style="list-style-type: none"> <li>• Risk of failure to adapt and respond to further significant regulatory change.</li> </ul>	<ul style="list-style-type: none"> <li>• Established policies and procedures.</li> <li>• Consistent communication with the Audit Compliance Partner.</li> <li>• Results of CFR included in annual appraisals.</li> <li>• Mandatory annual training for all partners and relevant staff.</li> </ul>
<p><b>Succession planning for Responsible Individuals (RIs)</b></p> <ul style="list-style-type: none"> <li>• Risk of inadequate succession planning.</li> </ul>	<ul style="list-style-type: none"> <li>• Training and development of colleagues.</li> <li>• Recognising good quality through promotion and other incentives.</li> <li>• Successful recruitment of external RIs.</li> </ul>
<p><b>Ensuring appropriate rotation for RIs and Engagement Quality Reviewer (EQR) working on the audits of Public Interest Entities</b></p> <ul style="list-style-type: none"> <li>• Risk of breach of PIE regulations.</li> </ul>	<ul style="list-style-type: none"> <li>• Firm policies and procedures identify strict five-year rotation for RIs and Engagement Quality Reviewers (EQRs) working with Public Interest Entities (PIEs).</li> <li>• Appropriate mandatory training for all engagement team involved in the audit of PIEs.</li> <li>• Firm and engagement team adherence with PIE Regulations.</li> </ul>

<p><b>Ensuring that EQR and consultation is undertaken wherever necessary and appropriately resourced</b></p> <ul style="list-style-type: none"> <li>• Risk of non-completion of EQR and RCA.</li> </ul>	<ul style="list-style-type: none"> <li>• Policies and procedures updated on the implementation of International Standard on Quality Management 2 (ISQM 2) for EQR and second partner/RI consultation and review.</li> <li>• A training session for effective EQR and consultation was held in January 2023 for all RI's.</li> <li>• A thematic review of the EQR process was carried out in January 2024. The findings will be discussed in a feedback session to all RIs in February 2024.</li> </ul>
<p><b>Developing the skills of the audit team at all levels</b></p> <ul style="list-style-type: none"> <li>• Risk of lack of capability.</li> </ul>	<ul style="list-style-type: none"> <li>• The audit training strategy and programme has been further developed during the year. It is structured and aimed at all levels from first year trainee, through to manager and partner level.</li> <li>• The Audit Training Plan builds in ethics, professional scepticism and challenge, and other skills, in addition to the technical standards and sector specialist areas we work with.</li> </ul>
<p><b>Managing the timing of audits in line with the availability of resources across the team</b></p> <ul style="list-style-type: none"> <li>• Risk of lack of capacity and capability.</li> </ul>	<ul style="list-style-type: none"> <li>• Partners, RIs and managers meet on a weekly basis to ensure resources are deployed appropriately.</li> <li>• The audit team is divided into smaller teams to aid effective performance and resource management.</li> </ul>
<p><b>Implementing effective Root Cause Analysis</b></p> <ul style="list-style-type: none"> <li>• Risk that good practice is not shared.</li> <li>• Risk that training/team issues are not identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Policy and Procedures implemented through ISQM1 and will be further embedded in 2024.</li> <li>• Briefing sessions on the Firm's procedures and enabling good Root Cause Analysis is planned for all RIs and audit managers in February 2024.</li> </ul>