

The partners of Beever and Struthers are pleased to present the firm's Transparency Report covering the year to 30 September 2022. It is prepared to comply with Article 13 of Regulation No 537/2014 of the European Parliament and of the Council of 16 April 2014 ("the Regulation") 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.

We previously identified the need to ensure our physical working space was more than fit for purpose, a positive environment attractive to our current and future colleagues. A successful property strategy resulted in new modern offices across the business, with our headquarters in Manchester moving into exciting new space late in 2022.

**Culture**

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

At the firm's most recent national conference day, the importance of achieving consistently high standards of quality, and the many quality initiatives ongoing, were communicated as a vital part of our strategy. The day also served to reinforce the firm's purpose, values, and culture.

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 how we will achieve our purpose together. This sits within a supportive and collaborative environment with a programme of wellbeing for our staff and 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 the partners, all of whom are members of either the Institute of Chartered Accountants in England and Wales (“ICAEW”) or hold the necessary affiliate status.

**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**

A summary of the revenue for the firm for the year to 30 September 2022 and the preceding financial year:

Analysis of revenue for the year ended 30 September	2022 £m	2021 £m
Revenue from the audit of Public Interest Entities	1.097	0.666
Revenue from other statutory audit work	6.069	5.028
Revenue from non-audit services provided to audited entities	1.221	1.317
Revenue from non-audit services provided to non-audit clients	7.168	5.864
<b>Total revenue</b>	<b>15.555</b>	<b>12.875</b>

Non-audit services provided to audited entities include the preparation of financial statements, service charge accounts reviews, corporation tax compliance, payroll services, corporate finance services, general tax advice and VAT advisory work. The provision of any non-audit services to audited entities is subject to the review highlighted above.

**Governance**

The firm is owned by the partners. Voting rights are assigned via the Partnership Deed. More than 50% of the voting rights are held by individuals who have an appropriate qualification, (including grandfathered EEA auditors and equivalent EEA auditors) and Registered Auditors.

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.

**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 meets monthly and 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. In determining individual allocations, the firm's assessment of partner performance is taken into account. 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.

**Our commitment to audit**

Over recent years the audit reform agenda has led to focussed scrutiny on 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 ready to embrace the changes in the medium term.

**Risk management**

The firm has a formal risk management process which is monitored by the partners. This process evolves alongside the ongoing development of the firm's System of Quality Management (SoQM) required under International Standard on Quality Management 1 (ISQM). The most significant areas of risk identified, along with the firm's responses, are as follows:

<b>Key risks</b>	<b>Firm's response</b>
<b>Firm wide risks:</b>	
<b>Recruitment and retention</b>	Benchmarking review of benefits and remuneration to ensure competitive. Rewarding performance with progression and promotions. Commitment to work life balance, with hybrid office working. Programme of engagement activities and development of Team B Well, health and wellbeing programmes. Succession planning for partners and senior management and specific targeted recruitment drives. Introduction of a structured student training and development programme which recognises performance in both exams and role.
<b>Embracing technology within our working practice</b>	Technology Strategy group formed to oversee, identify and monitor use of technology within the firm. Head of Technology appointed, promoting technology adoption within the firm with the mantra 'standardise, simplify and grow'. Regular attendance at conferences and events where technology advances are showcased.
<b>Cyber security</b>	Adopted Cyber Essentials accreditation. Management of all email communication and software security on all devices. Regular training for all staff, including testing and assessments throughout the year. Regular attendance at conferences and events where cyber security threats are discussed.
<b>Audit quality risk assessment:</b>	
<b>Succession planning for Responsible Individuals (RIs)</b>	Training and development of colleagues. Recognising good quality through promotion and other incentives. Successful recruitment of external Responsible Individuals (RIs).
<b>Ensuring appropriate rotation for RIs and Engagement Quality Reviewer (EQR) working on the audits of Public Interest Entities</b>	Firm policies and procedures identify strict 5-year rotation for RIs and Engagement Quality Reviewers (EQRs) working with Public Interest Entities (PIEs). Appropriate mandatory training for all engagement team involved in the audit of PIEs. Firm and engagement team adherence with PIE Regulations.
<b>Ensuring that EQR and consultation is undertaken wherever necessary and appropriately resourced</b>	Policies and procedures updated on the implementation of International Standard on Quality Management 2 (ISQM 2) for EQR and second partner/RI consultation. A training session for effective EQR and consultation was held in January 2023 for all RI's.
<b>Developing the skills of the audit team at all levels, including technical standards, ethics, professional scepticism and challenge, and "soft skills"</b>	A new audit training strategy and programme has been implemented, building in ethics, professional scepticism and challenge, and "soft skills" in addition to the technical standards. It is structured and aimed at all levels from first year trainee, through to manager and partner level.
<b>Managing the timing of audits in line with the availability of resources across the team</b>	Partners, RIs and managers meet on a weekly basis to ensure resources are deployed appropriately. Since December 2022 the audit team has been restructured into smaller teams to aid effective performance and resource management.

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



Since the year end, the firm has implemented:

- International Standard on Quality Management 1 (ISQM1) and Assessment of the Firm’s governance.
- International System on Quality Management 2 (ISQM2), Engagement Quality Reviews.

Implementation included:

- Performance of a gap analysis.
- Assessment of the Firm’s governance structure/framework to support the risk-based approach for ISQM1.
- Implementation of ‘Inflo QMS’ software.
- Development of a system of Root Cause Analysis.
- Attending HLB UK Audit Group meetings to refine risk assessment and share best practice.
- Review of the external service providers and their role within the in the System of Quality Management.
- Updating firm policies and procedures where necessary, including EQR to incorporate requirements of ISQM2.
- Appropriate training for those involved in the firm’s compliance and monitoring.

Following implementation, the Partners are satisfied that the system of quality management is operating effectively, and an independent assessment is planned to take place in October 2023.

### Compliance Oversight responsibility



Sue Hutchinson

**Sue Hutchinson, the Audit Compliance Partner**, 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 within the firm.

Sue is responsible for the development, documentation, and communication of these matters within the firm so that all staff are familiar with its content.

She 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.

Appointed in January 2023, on a day-to-day basis Helen Ruane, Head of Compliance, works closely with Sue maintaining the firm's compliance including policies and procedures and the ISQM risk management framework.

### Relevant ethical requirements

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

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 by reference to the Ethics Partner if required. Where we do not consider that adequate safeguards can be put in place, the assignment is declined. Ethics training is provided on a regular basis to ensure that all partners and staff are aware of the requirements.

The detailed responsibilities of the Ethics Partner are set out in the firm's Audit Policies and Procedures document.

### Independence procedures

All partners and staff are required to complete declarations of Fit, Proper, Confidentiality and Independence 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 Hutchinson, Audit and Ethics Compliance Partner, reviews at least annually and ensures any appropriate safeguards have been put in place.

A conflict-of-interest check carried out across all staff prior to accepting any engagement and responses are monitored by the compliance team. Any exceptions highlighted as part of this review are notified to Sue Hutchinson and the database is updated accordingly.

As part of the firm's audit planning process, 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 audit partner, or responsible individual, on a Public Interest Entity or other listed entity engagement being permitted to act in this capacity for a period exceeding five years. Following rotation, a cooling off period of 5 years is required before an audit partner or responsible individual 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 where necessary.

For engagements other than those of Public Interest Entities (PIE) or other listed entities, additional 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, those with significant risk and consideration is also given to review requirements for newly appointed and employee Responsible Individuals (RI).

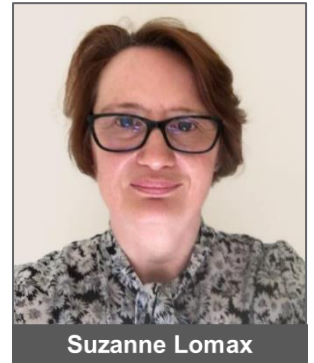


**Acceptance and continuance of client relationships and specific engagements**

All new client appointments are subject to completion of the following: Client Identification Form and related due diligence documentation as required under the Anti-Money Laundering Regulations; Client Acceptance and Risk Questionnaire; and Conflict of Interest checks. The Anti-Money Laundering aspects of the client acceptance process are driven by the Firm-wide Money Laundering Risk Assessment, which is updated annually and includes the relevant Russia (Sanctions) (EU Exit) (Amendment) (No. 17) Regulations 2022.

Before accepting an appointment or re-appointment, the Partner must complete a checklist to justify the decision. This is completed to assess the client and the risks (if any) of acting for the client or providing the services requested.

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**.



Suzanne Lomax

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 possible standard.

**Engagement performance**

All of the firm's audit manuals and programmes are provided by CCH audit electronic platform.

The audit planning process ensures that the audit work is focussed 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 Responsible Individual 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 relevant 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 Responsible Individual 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. Our audit teams debrief and carry out RCA following the completion of the relevant PIE sector audits. This is supplemented by peer reviews undertaken on a sample of relevant PIE sector audit files.

## Resources



Jo Rigby

**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 work.

## Training

**Mark Bradley, Partner**, is the qualified person responsible for training, ensuring that the firm provides a structured 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 of 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 commit to undertake training for the relevant areas. Relevant staff (including those with Responsible Individual status for audits) maintain CPD records in the "Reflect, Act, Impact" format set out by the International Education Standard (IES) 8 Professional Competence for Engagement Partners Responsible ICAEW Procedures.



Mark Bradley

## Information and communication

The firm has established quality objectives that address obtaining, generating, or using information regarding the system of quality management, and communicating information within the firm and to external parties on a timely basis to enable the design, implementation, and operation of the system of quality management.

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 compliance programme of work at firm level captures the relevant procedures for requirements and returns with relevant regulations and law.



**Monitoring and Remediation**

As at 30 September 2022 the firm had sixteen 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 most recent visits have not identified serious or systemic shortcomings in the Firm’s work. Where areas for development are reported, the firm has designed and undertaken appropriate and proportionate responses to ensure that these are addressed. Findings from the visits are fed back individually to team members responsible for the assignments reviewed, and to the audit team as a whole.

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. The last audit monitoring visit took place from January to April 2022 and key areas identified improvements in:

- Income testing, with a focus around the assertion of completeness; and
- Audit documentation, particularly in the case of areas of judgement.

In addition, the firm is also subject to monitoring visits in respect of its licensed insolvency work by the QAD.

As well as receiving regulatory monitoring visits, the firm operates a continuous system of Cold File Reviews (CFR), undertaken by an external provider. All of the firm’s active Responsible Individuals were reviewed during this financial year. The system is overseen by the firm’s Compliance Partner.



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

- Identify trends over successive periods;
- Implement an escalation process where there is a trend of poor quality; and
- Identify actions that will be taken.

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

We also undertake an annual practice assurance compliance and whole firm audit compliance reviews.

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 2022 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
- Jigsaw Homes Group Limited (Jigsaw Funding plc) \*
- 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)

\*Jigsaw Funding plc became a PIE on 6 May 2022, when its debt was admitted to the London Stock Exchange.

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).

The firm and 6 RIs were successfully appointed to the Public Interest Entity (PIE) Auditor Register on 5 December 2022.

**Beever and Struthers**