

Transparency Report

Grant Thornton UK LLP year ended
31 December 2024

March 2025

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Chief Executive Officer (CEO)



Malcolm Gomersall
Chief Executive Officer

2024 has been another excellent year from a quality perspective, demonstrating the impact of the ongoing investment and unrelenting focus we have had over the last five years.

We are not complacent in ensuring that we meet our objectives for our people, wider stakeholders and the public interest. We're incredibly proud of the firm we are today, and we're ready and excited to write the next chapter in our story.

During 2024 we explored our strategic options. After a thorough exploration of those options we concluded that external investment created opportunities to accelerate our growth and our successes in quality could be secured in a long-term platform. A key factor in our conclusion was the fact we can remain a partnership with all of the benefits associated with that whilst evolving our business model to embrace longer-term behaviours. We believe our landmark decision to evolve our firm's future with investment from Cinven will benefit all of our stakeholders.

It's an exciting time for the firm. Our new business model will enable us to make significant long-term

investments that will further strengthen quality while we also pursue growth as a multidisciplinary firm. It will help us meet our objectives, the expectations of our people, wider stakeholders and the public interest.

Growth

Over the last year we have continued to deliver impressive growth, with net revenue climbing from £654 million to £724 million, a 11% increase, with profit before tax rising from £143 million to £144 million. Client satisfaction remains high, as evidenced by 94% of our clients saying they would recommend us. Our client engagement initiatives have successfully engaged over 10,000 clients, and we've made strategic leadership appointments to enhance our industry and sector service offerings. Additionally, our market updates and campaigns have garnered significant attention, demonstrating our firm's strong industry influence and reach.

Chief Executive Officer (CEO)

Culture

Creating an inclusive environment to grow remains at the heart of our business strategy, and we continue to focus on investing in policies and programmes that reinforce our culture of everyday inclusion. In 2024, we introduced paid carers leave and launched a very successful mentoring scheme for new parents. This helps our people return to work after an extended break feeling confident they can continue to pursue their careers alongside their new family responsibilities.

As part of our ongoing commitment to support social inclusion in our communities, this year we were proud to announce Magic Breakfast and The Baytree Centre as the first beneficiaries of the Grant Thornton Foundation. The Foundation supports charities helping young people from underrepresented communities to overcome social barriers, and improve education and job opportunities. In 2024, our people also volunteered over 8,000 hours as part of our #GivingTogether initiative, one example of which included our Partners welcoming Year 12 students to a mentoring event, and offering CV tips and career advice for the future.

Digital, data and technology

We have prioritised digital, data and technology investments which elevate our skill sets to ensure we're providing the highest possible quality of service to our clients, in the most effective and efficient ways. Key milestones in 2024 included the creation of a digital

tax team to complement our existing digital audit team (to make our work more efficient, drive quality and improve how we help clients) and investment in our 'Gateway to Growth' programme (the first major step in transforming our sales process). We are continuously improving how we work through the use of advanced technology. Since 2021, our Digital Audit team has developed 55 data and digital tools, freeing up around 250,000 hours in 2024 alone. We also launched our digital graduate and school leaver roles for the first time.

International

Our client base continues to evolve, reflecting both a growing large mid-market client base and an increasingly international market, evidenced by the rising percentage of our clients with international operations, which grew from 41% in 2021 to 45% in 2024. This growth is supported by our dedicated International Business Centre team, which coordinated over 700 cross-referrals between the UK firm and our network in 2024. Last year, we were excited to announce our strategic investment in Grant Thornton Cyprus, which allows the Cypriot firm to leverage the size and deep expertise of the UK firm, while the UK firm will benefit from the skilled, expert workforce that Cyprus has to offer. We are confident that this investment will bring about many opportunities to further enable us to support our client's growth plans. We also continue to build strong ties with our colleagues in India, with Grant Thornton

UK being honoured as Consultancy Firm of the Year 2024 at the India Global Forum.

Partnership

This year, our partnership grew by 8%, from 230 partners in 2023 to 250 at the end of 2024. Reflecting our commitment to nurture talent across the pipeline, 77% of new partners in 2024 were internal promotions. We plan to continue this growth of our partnership at a faster pace than ever before by investing in new and enhanced pathways for our people to develop into senior and leadership roles. The decision to evolve our business model to a more sustainable one, moving away from the full distribution model, has been unlocked by investment from Cinven. The fact that Partners were unanimous in their decision demonstrates the levels of excitement for the evolution of the business model, as well as the alignment of Partners and our people in their commitment to deliver growth in both the short and long term.

Malcolm Gomersall

Chief Executive Officer

Introductions

Head of Audit



Wendy Russell
Head of Audit from April 2024

2024 was another standout year for our audit practice, in which we have steadily grown and maintained our relentless focus on quality.

In my first year in the role as Head of Audit, I'm immensely proud of how Grant Thornton's audit practice has continued to maintain an exceptional culture of quality across everything that we do. We have steadily grown our audit practice without compromising the high standards that we, and our regulators, have set and which our clients, rightly, expect. Our strategy of working with well-governed organisations has supported our growth in 2024 and enabled us to further invest in our practice. Maintaining the high-quality bar is not easy and has required us to continually challenge ourselves to not only uphold our standards, but exceed the objectives we set. With a consistent 100% record in our Commercial Audit Quality Reviews (AQRs) over the last few years, with all audits receiving a score of 'good' or 'limited improvements' we are delighted with these results which differentiate us in the market. We are also tremendously proud of the exceptional QAD results achieved, which again support our position as one of the highest-quality firms in the market.

Our audit strategy, focused around quality, has also prioritised the following areas:

- Development of our digital tools, with focus on standardisation and simplification to drive even more consistency
- An open, speak-up culture which allows all of our people to have a voice and be heard
- Continued growth – both of our audit portfolio and of our people and capabilities

Digital

As our audit practice has evolved so have the tools, training and resources we use to support our quality and growth. We are future-proofing our audit practice, ensuring that our people are equipped with the latest market-leading tools and technologies, but also the cultural mindset to enable them to make the most of these. The GTIL audit software 'Leap' is now fully embedded in our practice and offers a consistent, cloud-based approach to ensuring high

Head of Audit

standards. Its implementation has driven greater consistency and clarity in the delivery of audits, and has facilitated more real-time review and coaching to the benefit of our people and our clients. Technology is embedded in everything we do and we were proud to launch our new Digital Graduate and School Leaver roles for the first time this year, changing the way we recruit and plan for audit delivery in the future.

The development of next-generation AI tools is high on our agenda with the AI Hub being released to all of our people in 2024. We have an exciting programme of continued AI development in progress, focusing on the areas that will really drive quality and efficiency, and this innovation will transform how we can deliver the highest-quality audits to our clients.

Culture

Driving a high-performance culture in our firm is a crucial part of our audit strategy, as it enables our people to continuously develop and also reinforces our high quality. We are committed to Inclusion and Diversity and have raised the bar on our recruitment activities to ensure we bring the very best talent into the practice and then provide support to enable them to develop into high-quality professionals. This approach is not only fundamental to the delivery of our own strategy but also feeds into the wider financial ecosystem for the future.

As Head of Audit, I hold regular cascade calls to share key strategic priorities and focus areas with our people, and provide opportunities for the team to share their views in an open and collaborative way. It's really important that our people not only feel listened to, but are heard. Our Speak Up programme, which continues to be enhanced each year, gives our people a space to raise concerns and suggestions in a safe way, whether on matters of strategy or on the execution of a specific engagement. We have found that this successfully allows for a wider range of perspectives to be shared and, ultimately, drives audit quality through challenge and professional scepticism.

We develop all of our people by equipping them with the skills to be great in their current role, but also to develop a pipeline of leaders for the future. This is fundamental given the wider ongoing debates around the attractiveness of the profession and we take our role in that very seriously.

Growth

We have continued to steadily grow and enhance our client base of well-governed businesses that take financial reporting and the audit process seriously. Growing our audit business creates additional resilience and choice in the audit market, both of which are in the public interest. Our financial success, alongside quality, has allowed us to invest in

technology and attract the best talent, which in turn allows us to deliver high-quality audits that we can continue to be proud of. We continue to confidently grow our Public Interest Entity (PIE), listed and large, private capital client base, and have introduced a number of exciting new audits to our portfolio. In the PIE market, we continue to be engaged in tenders where our quality record and reputation serves as a welcome alternative. This year, we were auditors of some of the most important UK organisations, including Computacenter PLC and J D Wetherspoon plc, and we intend to maintain our momentum in this market over the coming years with continued focus and investment. We also continue to have a strong track record with private business and overseas-owned business, including those owned by private equity, which remains a key channel of focus for us.

As a leading provider of audit and related services to the public sector, we're immensely proud of the role our team plays in maintaining high standards in this vitally important market. Despite the well-documented challenges impacting the sector, including those leading to the Government's introduction of an audit backstop in 2024, our team successfully issued over 95% of our local audit opinions ahead of the first backstop date (for all audit years up to and including 2022/23). For 2022/23 we were able to issue over 80% without the use of the backstop provisions, providing assurance to those organisations and their

Head of Audit

stakeholders. We continue to work with stakeholders in the sector, and those overseeing it, to ensure a sustainable solution is implemented for it to move forward confidently.

As we've grown our client base, we have also invested in growing our talent base, across a range of experience and expertise. Our audit practice welcomed 35 new Partners and Directors in 2024 and we have continued to attract more junior talent with distinct new skill sets. For instance, our graduate and school leaver programme now attracts a varied talent base, with skills including coding and programming alongside the more conventional skills we look for in new recruits.

We now have around 400 colleagues in India and the Philippines, who are embedded into our teams to deliver day-to-day work in a market-leading 'fully integrated model'. We also operate selected Centres of Excellence where key, repeatable audit activities are performed by skilled individuals. This model provides resilience and agility, alongside our traditional UK recruitment programmes. It's an agile model which we have invested in heavily and is highly differentiated in the market. As the audit market evolves, this agility is something we are proud of as it is absolutely fundamental to our continued success.

Wendy Russell

Head of Audit from April 2024

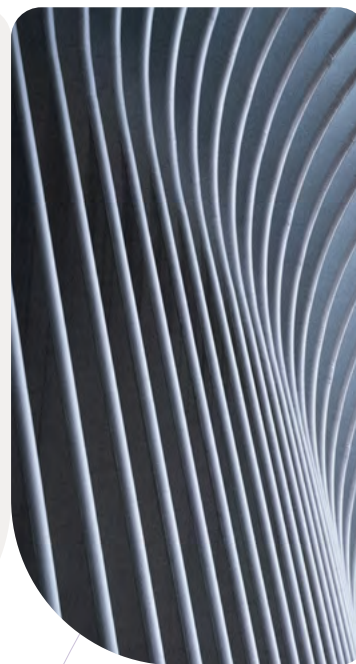


How we deliver audit

The audit profession is changing, as are the operating models adopted by the various firms in the marketplace. We continue to operate our business across the following sectors to ensure that we have the right people and skills in the right place, and that we deliver the right experience to our audits.

Our audit sectors:

- Commercial audit
 - Listed entities and public interest
 - Private capital, including entities funded by private equity [capital]
 - Entrepreneurial services, including Not for Profit
- Financial services, including pensions
- Public sector



Independent Chair of the Audit Quality Board (AQB)



Faried Chopdat
Independent Chair of the AQB

As the Chair of the AQB, my primary responsibility is to advise and challenge the Strategic Leadership Team (SLT) on the firm's unwavering commitment to maintaining and enhancing audit quality, thereby upholding the firm's dedication to the public interest nature of audit.

It's evident to me that the firm continues to make significant strides in enhancing its overall performance, with a strong emphasis on delivering high-quality work across all audits. This is underscored by the firm's continued positive engagement with the Financial Reporting Council (FRC) and the commendable quality results achieved in its external file reviews this year.

The firm is intent on continuing to grow all aspects of its audit business while consistently focusing on quality. The audit strategy, set out by Head of Audit Wendy Russell, demonstrates the continued focus on the areas that impact this most significantly:

- embedding a culture of constructive challenge
- attracting and maintaining a flexible, inclusive and diverse employee base which has the right talent and potential

- developing our use of digital tools
- structuring teams to ensure we consistently deliver the highest-quality audits.

I meet with Wendy, and other senior leaders, throughout the year. Additionally, the AQB holds meetings and receives updates on key projects impacting quality. This includes regular reporting on Audit Quality Indicators (AQIs), actions from internal and external regulatory reviews and other ongoing quality matters.

Faried Chopdat
Independent Chair of the AQB

Independent Non-Executive Chair of the Partnership Governance Board (PGB) and the Public Interest Committee (PIC)



Imogen Joss
Independent Non-Executive chair
of the PGB and PIC

I chair two key groups in the firm: the Partnership Governance Board (PGB) and the Public Interest Committee (PIC).

The PGB is the primary governance group of the firm. I and my two fellow INEs sit as non-voting members. In this role we oversee and challenge key decisions while maintaining independence from the firm's leadership. We have a fundamental responsibility to stakeholders both within the firm and externally, including supporting the public interest aspects of audit.

The work of the PGB includes meetings without the SLT being present. This is to allow for an open and thorough debate about all matters relating to the firm including SLT activities, key risks and events.

The PIC meets three times a year and includes all the INEs, with one elected PGB member and the CEO also present at each meeting. Faried Chopdat, as the Independent Chair of the AQB, is invited to attend. Areas of focus at the PIC during the year have included:

- receiving updates from the Head of Audit, Chair of the AQB and Ethics Partner at each meeting
- consideration of people and culture matters
- reviewing complaints, whistleblowing issues and other legal matters

- considering the firm's response to ISQM 1 through its Quality Monitoring Approach (QMA)
- our response to the various areas of the revised Audit Firm Governance Code.

Audit Firm Governance Code (AFGC)

The AFGC provides a framework for governance against which audit firms, particularly those auditing public interest entities (PIEs), can be assessed. The principal objectives of the code are:

- to promote audit quality
- to ensure firms take account of the public interest in their decision-making, particularly in audit
- to safeguard the sustainability and resilience of audit practices and of firms as a whole.

The PGB and its subcommittees support these obligations through regular, meaningful monitoring and constructive challenge to the firm's leadership across a range of matters.

The CEO and relevant members of the SLT present to the PGB on key developments within the firm, including operational, legal, financial and structural matters. In 2024 we have

Independent Non-Executive Chair of the Partnership Governance Board (PGB) and the Public Interest Committee (PIC)

remained active in bringing our expertise to the firm and discharging our responsibilities.

We have detailed how we comply with the AFGC in [Appendix A](#).

Promoting audit quality

As members of the PGB, we receive regular updates on both the audit practice and the firm as a whole. This includes matters relating to quality. Over the course of the year, we receive, scrutinise and constructively challenge the leadership's strategic plans and activities, both holistically and at a service line level. Quality is a fundamental part of this conversation.

There are specific ways we are particularly focused on audit quality, including:

- Faried Chopdat as Chair of the AQB, and the Head of Audit, attended each PIC meeting to provide a comprehensive update on audit, which enabled us to discuss and challenge relevant matters
- Deena Mattar, as Chair of the Risk and Audit Committee (RAC), receives updates on the firm's internal controls review, updates from the Head of Audit and Ethics Partner, and the Transparency Report
- receiving updates from the team monitoring and testing the firm's QMA
- Paula Dillon focuses on people matters across the firm with particular focus on the Audit service line

as well as chairing the firm's Remuneration and Profit Sharing Committee

- the PIC meet with the Head of People and Brand to consider how quality is embedded into the firm's culture, performance management and reward policies
- independence is a key element of audit quality and as such the Ethics Partner provides an update on key matters and developments at each PIC meeting
- we annually review the results of the Root Cause Analysis (RCA) work undertaken by the audit RCA team.

Public interest approach

As INEs we consider the public interest as key to our role. The firm's ethos of 'Doing what's right, ahead of what's easy' – is important in delivering audit work in the public interest. We concur with the FRC's view that the public interest is about:

- putting the common good and wellbeing of society above the interests of an individual or a small group of individuals
- in the context of audit, the consistent performance of high-quality audits is in the public interest because they promote the efficient functioning of capital markets in the UK, lowering the cost of capital
- reliable corporate reporting allows market discipline

- more broadly it underpins public trust and confidence in the market economy – whether or not audit firms are operating in a manner which supports the consistent performance of high-quality audits is therefore a matter of public interest.

Safeguarding the sustainability of the audit practice and the firm as a whole

PGB meetings consider a range of matters that could influence the firm's ongoing stability. This includes consideration of financial results, firm strategy, investments and key matters which have, or could have, a significant financial impact on the business or its reputation. The INEs are also involved in the consideration of the firm's risks and risk processes as well as the results of internal audits. We continued to have a strong dialogue with members of the SLT, including regular calls with the CEO. Deena Mattar as Chair of the RAC has strong oversight of the firm's approach to risk management, principal risks and risk appetite. Further details can be found in the [Leadership and governance](#) section.

Imogen Joss

Independent Non-Executive chair of the PGB and PIC

Leadership and governance

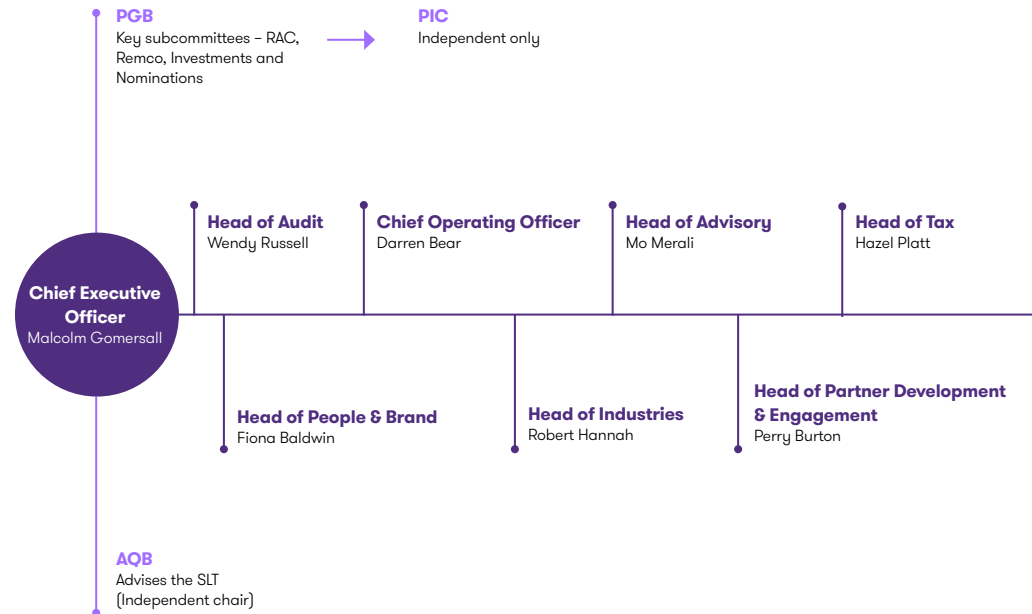
Leadership and governance

Leadership and governance

The firm is owned by its partners and during the year had two principal leadership and governance groups: the SLT and the PGB. In addition, the AQB focuses on audit quality.

Each group works together to provide us with a best-practice governance structure. We remain committed to, and comply with, the provisions of the AFGC. The full Terms of Reference for each group can be found on our website on the Leadership and governance page.

During the year up to 31 December 2024 our governance structure was as follows:



Leadership and governance

Strategic Leadership Team

The SLT is chaired by the CEO and has ultimate responsibility for delivering the firm’s strategy and growth plan, with support from everyone across the firm. In 2024, service line leadership roles have been condensed into three roles: Head of Audit, Head of Tax and Head of Advisory.

Operations Board

The Operations Board is chaired by the Chief Operating Officer (COO) and is responsible for enabling our service lines and Central Client Services to work together as one firm, optimising synergies and removing duplication as we work to deliver on our growth plan. The Operations Board includes the Heads of Service Lines, their Operations Partners, the Head of Industries and the Head of People and Brand. The Head of Data, Digital and Technology (DDAT) also attends these meetings.

Service Line Leadership Teams

Service Line Leadership Teams are responsible for implementing firmwide strategy and delivering service line growth plans and budgets.

Details of the governance structures, including the rights and obligations of partners, are set out in our Membership Agreement, which was last updated in 2024.



Leadership and governance

Strategic Leadership Team (SLT)

The CEO is nominated by the PGB for a four-year period with a maximum tenure of two, four-year periods. The appointment is subject to an all-partner vote.

The CEO has executive authority for the management of the business while being bound by our Statement of Principles. The statement was developed by the PGB and is approved every three years by the partnership, the last approval being in October 2023.

The SLT is appointed by the CEO and is responsible for:

- ensuring the firm operates within our Statement of Principles
- assessing and controlling risk, including protecting the goodwill and reputation of the firm
- developing and implementing our strategy
- ensuring we comply with all relevant regulatory and legal requirements
- ensuring we are a profitable and sustainable firm
- putting quality at the heart of everything we do
- fostering an inclusive culture underpinned by our values
- ensuring we participate in the wider economic environment as a responsible employer and contributor to growth.

Partnership Governance Board (PGB)

The PGB is the highest governance body of the firm and is responsible for overseeing members' interests and oversight of the SLT. Its role is to oversee the stewardship, accountability and leadership of the firm, and to provide counsel on its strategic direction. In carrying out this role the PGB seeks to balance the interests of its various stakeholders to ensure the firm has a successful and sustainable future. Its main duties include:

- developing the firm's Statement of Principles
- ensuring the firm has an appropriate strategy that is consistent with the public interest
- to oversee good financial and cultural governance (including setting the tone from the top on culture and ethics)
- overseeing profit sharing
- approving the firm's leadership structure
- ensuring the firm has the best possible executive leadership.

The PGB consists of partner non-executives of the firm, the firm's INEs, and up to three ex-officio non-voting members. Appointment of partner non-executive members is determined by an all-partner vote. The Chair of the PGB may, in their absolute discretion, also co-opt up to two partners to be appointed as members of the PGB. Members are

appointed as elected partners or as co-opted partners for three years, and no individual may serve for more than two consecutive three-year terms. Individuals who have been elected for two consecutive terms of three years or less are eligible for election after a break of three years. The PGB is chaired by Imogen Joss, one of our INEs. The PGB provides challenge to the SLT and ensures, through its activities and our internal policies and processes, that no individual has excessive decision-making powers.

There are several subcommittees of the PGB that support its work and allows the INEs and members of the PGB to discharge their responsibilities:

Risk and Audit Committee (RAC)

Remuneration and Profit Share Committee (RemCo)

Investment Committee (IC)

Public Interest Committee (PIC)

Nominations Committee (NomCo)

Leadership and governance

Risk and Audit Committee (RAC)

The principal role of the RAC is to ensure our quality and risk management framework is in place and operating, and to oversee our financial reporting and external audit process. Its specific duties include:

- reviewing and challenging, where necessary, the actions and judgements of management in relation to the annual financial statements
- ensuring management has adequately considered the key risks to the business and has developed appropriate alternative strategies
- monitoring and reviewing the effectiveness of our internal audit function in the context of our overall risk management system
- considering reports from the Head of Quality & Risk and our Ethics Partner in respect of quality and reputational matters
- monitoring our relationship with the external auditors.

The RAC consists of partner non-executive members of the PGB, the CEO (or nominee) and Deena Mattar as the INE and Chair. The RAC meets at least five times a year and the Chair reports at each PGB meeting on the RAC's activities.

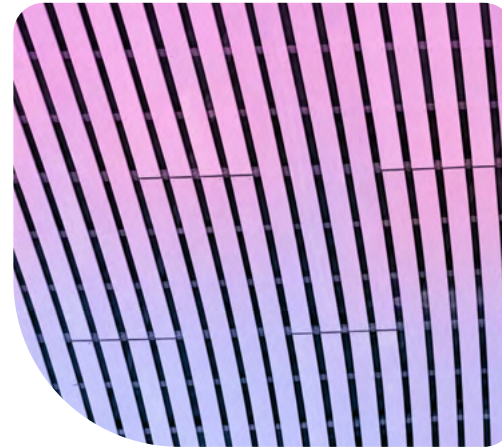
These activities include:

- reviewing updates from our internal audit team
- providing input to our enterprise risk management processes, including the annual review of systemic risks and their mitigation plans
- receiving reports to support their review of the effectiveness of internal controls, including ISQM 1.

Remuneration and Profit Share Committee (RemCo)

The RemCo reviews the remuneration of the leadership team and the partner profit-share process. The committee meets at least four times a year and consists of all INE members of the PGB and at least two partner non-executive members of the PGB. It is chaired by Paula Dillon, an INE. During 2024 the committee met eight times. Its specific duties include:

- reviewing the profit share process, to witness the output of that process, and to consider outliers
- to consider if the partner exit process is fair and reasonable
- to review the gender gap and other diversity indicators in the partner group
- approving SLT remuneration
- to hear appeals not already resolved by the CEO appeals process.



Investment Committee (IC)

The primary purpose of the IC is to consider specific circumstances relating to capital and investment expenditure disposals and property matters over £2.5 million. The committee agrees with the SLT what constitutes capital and investment. The committee generally meets monthly and has a minimum of three partner non-executive PGB members and/or INEs together with the CEO.

Leadership and governance

Leadership and governance

Public Interest Committee (PIC)

The committee, chaired by the Chair of the PGB, comprises the INEs, CEO, Ethics Partner and Head of Audit in attendance at meetings. The Chair of the AQB is also invited to attend and provide an update on its activities, and a partner non-executive member of the PGB also attends. The primary purpose of the committee is to enhance stakeholder confidence in the public interest aspects of our activities. As such, the committee oversees our policies and procedures promoting audit quality, ensuring the protection of our reputation and reducing the risk of firm failure. The committee, through its work, is responsible for monitoring the firm's compliance with the AFGC. The PIC is also responsible for engaging with our leadership groups, in dialogue with our regulators. The committee:

- at each meeting, receives an update from the audit practice and AQB Chair, from the Ethics Partner, and on whistleblowing and complaints
- at least annually, receives an update on quality matters, a report from the Head of People and Brand, and a report from the Money Laundering Reporting Officer (MLRO)
- considers our compliance with the AFGC.

Nominations Committee

The Nominations Committee is primarily responsible for the recruitment, induction and performance evaluation of our INEs. They are also involved in facilitating and reviewing the process to appoint partner members onto the PGB. The committee meets as required and consists of at least four members of the PGB including at least one INE.

Audit Quality Board (AQB)

The AQB provides independent oversight on all matters of audit quality. Its objective is to make the production of high-quality audit work sustainable and to ensure that quality is held as a consistent priority in the wider audit strategy. The board generally meets monthly and, during the year, was independently chaired by Faried Chopdat. In addition to Faried, the board members are the Head of Audit and the Head of National Assurance Services (NAS). There are also a number of observers from the practice. Faried is an independent member of the AQB.

The board has a number of key functions including:

- ensuring the firm's leadership maintains an appropriate 'tone at the top' in respect of audit quality and that we have an appropriate strategy for ensuring audit quality and protecting the public interest
- ensuring adequate investment and resources to deliver quality and the audit strategy

- ensuring audit partner performance is assessed on quality, and that partner remuneration and bonus systems are aligned with quality and the necessary positive leadership messages – including ensuring those who are responsible for the highest-profile and highest-risk engagements are compensated at levels that recognise this contribution
- that the audit practice has access to appropriate specialists
- ensuring we maintain appropriate independence monitoring
- that we anticipate and react to market and regulatory developments appropriately.

The Audit Quality Board terms of reference are reviewed annually. These were reviewed and amended in September 2024.

Leadership and governance

Independent Non-Executives (INEs)

As part of our commitment to operate under best-practice guidance and the AFGC, we have appointed three INEs. Our key governance groups are chaired by INEs, including the PGB, PIC, RAC and RemCo. We believe that this level of independence from the leadership of the firm best serves the public interest by helping to ensure audit quality. Where required, we have a detailed and comprehensive identification and selection process for the appointment of INEs. No INEs were appointed or ceased appointment in the year.

We position our INEs to be non-voting members of the PGB as this group is our main governance group. This allows our INEs to bring their experience to bear at this key oversight group. Our INEs' primary remit is focused on our public interest responsibilities, approach to quality (particularly, but not exclusively, in audit), and our reputation and risk management. This includes oversight of our policies and processes to:

- promote audit quality
- ensure the firm takes account of the public interest in their decision-making, particularly in audit
- safeguard the sustainability and resilience of audit practices and of the firm as a whole.

Our INEs are also invited to key partner meetings, have regular meetings with the CEO and members of the SLT, and meet with members of staff and our



regulators as required. Appointments are for an initial term of three years and our INEs spend a minimum of 30 days (50 days for PGB Chair) per annum on matters relating to the role. They can be re-appointed by the PGB members for additional terms up to a maximum of nine years. In the case where an INE is the PGB Chair, this is subject to an all-partner vote.

Following completion of the transaction to take external investment from Cinven, there will be a number of changes to the group structure and regulatory framework. These will be designed to ensure robust and appropriate governance over both the audit and non-audit work performed by the firm, with quality at its heart. A new Audit Oversight Board will replace the existing Audit Quality Board, with a refreshed remit. Further details around these changes will be provided in our 2025 transparency report.

Our INEs have a right of access to relevant information and people, to the extent permitted by law or regulation, and a right to report a fundamental disagreement with leadership or the wider partnership to our regulators.

Where any disagreement cannot be resolved and the INE resigns, we are required to report this resignation publicly. If there had been such a disagreement, this fact would be disclosed within this Transparency Report. No such disagreement has occurred to date.

All our non-executives are subject to our independence requirements; for more information see the Ethics section. Further details of the appointment, role and responsibilities of our INEs can be found on our website.

Leadership and governance

Membership of governance groups, attendance at meetings and further information

Details of the members of our governance groups, meeting attendance and length of service can be found in [Appendix D](#). Biographies of the members of our governance groups can be found in [Appendix E](#).

The terms of reference for our governance groups can be found on our website at [Leadership and governance](#). Further information on the remuneration of audit partners and directors is included in [Appendix H](#).

GTIL

The firm is part of the Grant Thornton International Limited (GTIL) global network. We meet the obligations of our membership of the network, as well as considering the risks and benefits of our membership. More details can be found in [Appendix G](#).

Complaints and claims

We take all feedback, complaints and allegations seriously. If a client is not satisfied with any aspect of our work, they can discuss this with the engagement leader, head of the relevant service line or our legal department. We provide training and guidance to our people in relation to our Speak Up culture, including the use of our Speak Up champions. We have internal processes to address both informal and formal matters and complaints. Our confidential whistleblowing phone line is available to all, including employees, clients and the public. Our internal legal team has access to the RAC, PIC and CEO whenever required and reports matters to the SLT in respect of ongoing and potential complaints, claims and regulatory action.

The 3 part process

1

Speak up

Ensure people receive a positive and supportive response when they speak up

We are focused on creating an environment where people feel comfortable to raise issues or concerns to colleagues, despite the level of seniority, without fear of judgement. Speaking up, therefore, comes hand in hand with psychological safety and this is critical when it comes to producing quality work.

2

Listen up

Ensure people feel heard and listened to

We are focused on ensuring that people are listened to when raising such concerns and these are taken seriously.

3

Follow up

Ensure people hear what actions have been taken and follow up if needed.

It's not enough just to listen. We need to follow up on what action has been taken. If no action has been taken, we should follow up as to why. This goes both ways, so if you have not heard back following speaking up, seek the follow-up yourself.

Leadership and governance

Investor and external dialogue

People within Grant Thornton, including where appropriate our INEs, actively engage with regulators, standard setters and investor groups to help shape and influence the drive for better reporting and regulatory change where it is necessary. Several of our partners and people participate in various boards, committees, working groups and forums across a diverse range of bodies and subjects relating to our profession and the wider market. They provide comments and feedback on our views of planned developments and issues.

We participate in events and consultations organised by the FRC, the Institute of Chartered Accountants in England and Wales (ICAEW) the Policy and Reputation Group (PRG), the International Forum of Independent Audit Regulators (IFIAR), and the International Auditing and Assurance Standards Board (IAASB). We have also supported the establishment of the Centre for Public Interest Audit (CPIA). The CPIA's membership includes other firms operating in the PIE market, the ICAEW and ICAS. The CPIA's vision is to support quality and trust in audit and to build confidence in capital markets.

We hold regular meetings with our regulators. Our Transparency Report is available for all to read via our website. We also provide it to the Audit Committee Chairs for our PIE, listed and Major Audit clients. While we continue to seek to engage with the wider investor committee, getting engagement is challenging as noted by the FRC: "Evidence suggests limited appetite, among investors, for engagement on governance matters with Firms or their INEs."



Introductions

Leadership and governance

Leadership and governance

Introductions

Leadership and governance



In February 2025, we realigned our structure to better fit our business, in anticipation of planned potential third party investment into our firm and enacted a leadership reset to support the firm's post investment growth and success. As part of this the following role changes have been made:

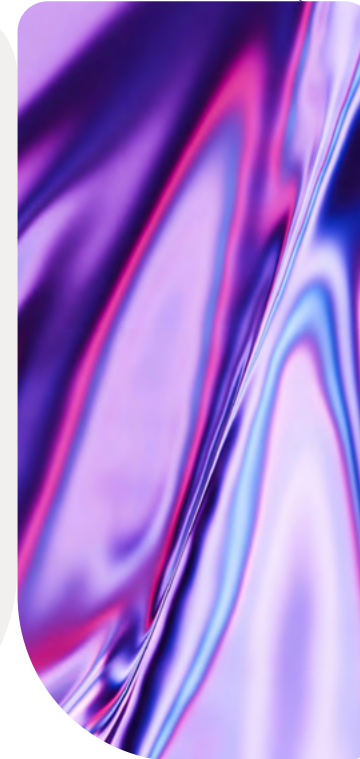
- **Mo Merali** will transition from the SLT to a new Senior Partner role working closely with the CEO on global network, regulatory and client matters
- **Darren Bear's** role will evolve into the Chief Commercial Officer, assuming responsibility for delivering the firm's commercial plan, including M&A
- **Fiona Baldwin's** role will evolve into Head of Operations – this is an extension of her current People & Brand roles and includes oversight and responsibility for all our internal functions
- **Keely Woodley** is appointed Head of Strategic Advisory and IF&R leading CFA, Forensics, Insolvency, Restructuring and Transaction Advisory Services
- **Giles Mullins** is appointed Head of Core Advisory. In this role he will lead BRS, Consulting, Cyber Advisory, Economic Consulting, FAAS, FSA and Valuations & Modelling

- **Wendy Russell** and **Hazel Platt** will continue in their respective roles as Head of Audit and Head of Tax and **Malcolm Gomersall** will remain as CEO.

There are also three SLT strategic roles:

- 1 **Sarah Bell** will join the team to become Head of Industries – taking our industries, propositions and channels strategy forward with a focus on integrating our go to market strategy
- 2 **Robert Hannah's** role evolves to become Head of International
- 3 **Perry Burton** continues in his role as Head of Partner Development.

We are also establishing a new Wider Leadership Team made up of the leadership teams of our service lines – this group will meet regularly with the SLT to support the delivery of our business plan. This is a proactive step in forward-looking succession planning.



The background of the slide is a dense field of colorful bokeh lights in various colors including red, blue, green, yellow, and white, creating a vibrant and festive atmosphere.

People and culture

People and culture

People and culture

Our people are key to all that we do and we create a culture that is collaborative, inclusive and agile.

Our People Deal brings to life what we offer our employees, and what we look for and expect from them. It underpins how people experience their career with us.

We have a range of mechanisms to engage with our people:

- Individual people managers
- Regular 'GT Live' all partner and employee calls
- Training and development sessions
- Regular message cascades
- Access to guidance and practical support
- Employee surveys
- Sharing from specialist interest groups
- 'Ask the SLT Anything' sessions are organised by grade to ensure good conversations and ample opportunities for asking questions.

Our people are our business

As a professional services organisation, our people are our key asset and strength. We have seen a number of positive developments in working with our people during the year, including:

- further development of our 'How we work' framework that ensures people have the support and tools to do the right thing when making choices about how, where or when to work – we believe hybrid working is here to stay and our people are now very settled and productive in this environment
- embedding flexibility – including allowing individuals flexibility on when to use their public holiday allowance, supporting those who do not find the traditional days right for them
- evolution of our 'People Voice Group' – an employee-elected group of 32 individuals from across the firm at various grades who provide feedback to the SLT on what's going on 'on the ground' and also acts as a sounding board for various matters.



Introductions

People and culture

People and culture

Culture

Our updated values express the behaviours we expect from everyone in the firm. Our competencies describe in more detail how our values apply to what we do. Each person is expected to take responsibility for their performance, development and career.

From senior leadership down, we promote the expected behaviours, and reasons for these actions, especially in respect of:

- delivering high-quality and compliant audits
- managing risk in our client base
- the importance of audit and working in the public interest, especially for our listed and public sector audits
- maintaining professional judgement and values.

We monitor our culture through conversations with teams, employee surveys, file reviews, root cause reviews and the QME. Reporting on various matters is presented to the INEs.

Our engagement with our people supports us to ensure our decision takes interests into account.

Our values

**Purposefully
driven**



**Actively
curious**



**Candid
but kind**



Introductions

People and culture

People and culture

Speak Up

We continue to develop our Speak Up culture to ensure that our people are aware of how to speak up and gain support when they raise concerns about internal or client matters. This includes training and guidance, which is provided to all of our people, and includes examples of speaking up seen across the practice. This is where individuals have spoken up about a concern or issue, and this has been listened to and followed up, resulting in significant changes to the work to be done and, as a result, an increase in the quality of work produced. We provide support to individuals and teams who raise concerns. This is delivered through a variety of means but can include support from our risk and legal teams.

Inclusion and diversity (I&D)

Building an inclusive culture, where we value difference and respect our colleagues, is the right thing to do, and helps our people to perform at their best and grow to their full potential. Diversity of thought, background and experience is vital to us. It brings better decision-making, improves the quality of our delivery and helps us to meet the needs of our clients.

We believe in ‘everyday inclusion’ and creating an inclusive environment to grow is central to our strategy. We want to promote and embed positive equality, equity, diversity and inclusive practices, where belonging is prioritised and every person feels valued. We are guided by “doing what is right ahead of what’s easy”. We aim to be the best firm at valuing diversity through everyday inclusion and the awards we win year after year across I&D evidence our progress in this space.

Our approach to I&D focuses on five strands:

We believe in the importance of authentic networks to promote belonging and share similar lived experiences. Our people have set up (in collaboration with the Head of Inclusion and Diversity) several networks to encourage positive interaction. This helps provide a safe space for people to share their lived experiences, while educating and raising awareness and working together to enable better awareness and inclusive practices.

DISABILITY, MEDICAL CONDITIONS AND MENTAL HEALTH



ETHNICITY & CULTURAL HERITAGE



GENDER



LGBTQIA+



SOCIAL MOBILITY



People and culture

Recruitment

We utilise a blend of competency, strength and skills assessment tools, which cover all entrants from trainee to partner. All our people are subject to detailed vetting and, where applicable, are required to confirm their independence and 'fit and proper' status on joining. From a quality perspective, in our audit practice all experienced hires from assistant manager and above are required to sit a technical assessment prior to joining us.

We have recruited throughout the year at all levels, including experienced auditors, directors and partners. We are increasingly focused on digital skills, including our digital qualification in conjunction with BPP University. We have seen positive results in recruitment around I&D, with our new hires continuing to be a diverse representation of the communities in which we operate. This helps contribute to the wider shift we are working towards across the firm as a whole.

Promotion, development and remuneration

Everyone has a people manager to support them in developing their skills, confidence and experience to progress with us. We have learning pathways that detail the skills required at each grade and the development available to support individual progression.

We have clear promotion processes, which for manager, senior manager and director promotions

in audit includes a financial reporting assessment and quality interview prior to promotion. Individuals, including Partners, in the audit service line receive quality gradings, which in the case of Partners is used positively or negatively to influence their profit share. We continue to provide a flexible benefits package that is regularly benchmarked against the market. During the year we have continued to promote individuals within audit, across all grades based on their capabilities and business requirements, and have welcomed experienced new joiners as well as new school leavers and graduates.

Learning

Industry-wide, learning and development teams are struggling to keep up with the pace of change. If our learning team is to effectively support our business growth plans, we need to introduce agility and innovation into the conventional approach that we have relied on historically. As often as monthly, our business can change direction; our people require new, unexpected skills, and the learning provision must be able to move with this. To do so, beyond any regulatory obligation, we must innovate the training that we deliver, and embrace more of an on-demand, self-led digital learning environment.

Some of this innovation will come from developing closer working relationships with our data and digital teams. Some will come from an increased appetite to embrace e-learning (not always at the expense

of face-to-face training). And some will come from collaboration with our network firms to better leverage learning content, systems and tools.

To signal this shift, we have transitioned from the conventional designation and remit of a 'Business School' to become a 'Learning Innovation Team'.

Our Learning Innovation Team is focused on developing our people to be well-rounded professionals. We are committed to creating environments where our business and people can flourish and to do this, we pay particular attention to our professional development. This includes, for most of our people, the need to undertake appropriate Continuing Professional Development (CPD). To support this, all those working in audit have access to a wide range of learning and development opportunities to build their technical capability, leadership skills and commercial acumen.

Our people's development is supported through virtual face-to-face sessions, e-learning, webcasts, guidance, classroom content, coaching and on-the-job learning. Within audit, we continue to invest in our training programmes throughout the year with several mandatory and recommended training modules.

During the year, the average number of mandated training hours for partners and qualified people in audit was 58 (2023: 74).

People and culture

Audit training

Training for our qualified people in 2024 included:



Mandatory training

- Annual two-day immersive audit simulation
- ISA (UK) 600 (Revised) workshop and e-learning
- Monthly technical update and digital awareness calls
- Quarterly ethics training
- Financial reporting refresher workshops
- Firmwide compliance training
- Annual sector specific training



Areas of focus

- ISA (UK) 600 (Revised)
- Revenue
- Impairment
- Going concern
- Reviewing
- Project management
- Use of resources, including digital



Testing

- Annual financial reporting multiple choice assessment
- Multiple choice assessments following firmwide compliance and core technical training



Trainees

- Professional qualifications
- Associate learning pathway covering both technical and commercial skills
- 'Career Launchpad' programme for September 2024 joiners, including an initial 12 weeks of practical and skills-based learning
- Monthly technical update and digital awareness calls – tailored for trainees
- Firmwide compliance training

Introductions

People and culture

People and culture

People metrics

We carry out pulse surveys of our people during the year, which provides a key opportunity for us to understand our people’s experiences, especially in relation to wellbeing. We use the results to help shape actions and activities. Our annual survey includes several quality-related questions, including three which are asked by all audit firms applying the AFGC (as marked by an *). The responses are in respect of the people in our audit practice who agree, or strongly agree, with the following statement.

	2024	2023	2022
I am encouraged and supported by my team to deliver high-quality work*	89%	90%	93%
I have sufficient time and resources to deliver high-quality*	61%	61%	53%
The training and development I receive from the firm has prepared me to do high quality work*	79%	69%	79%
Producing quality work is a top priority in our firm	95%	94%	97%
I feel able to challenge or speak up when something doesn’t feel right in my work	83%	83%	89%



Introductions

People and culture

The background of the slide is an abstract, blue-toned image featuring a grid of rectangular blocks that recede into the distance, creating a strong sense of perspective and depth. The blocks are arranged in a way that they appear to form a tunnel or a large, curved structure.

Risk management, quality and internal control

Risk management, quality
and internal control

Risk management, quality and internal control

Introductions

Risk management

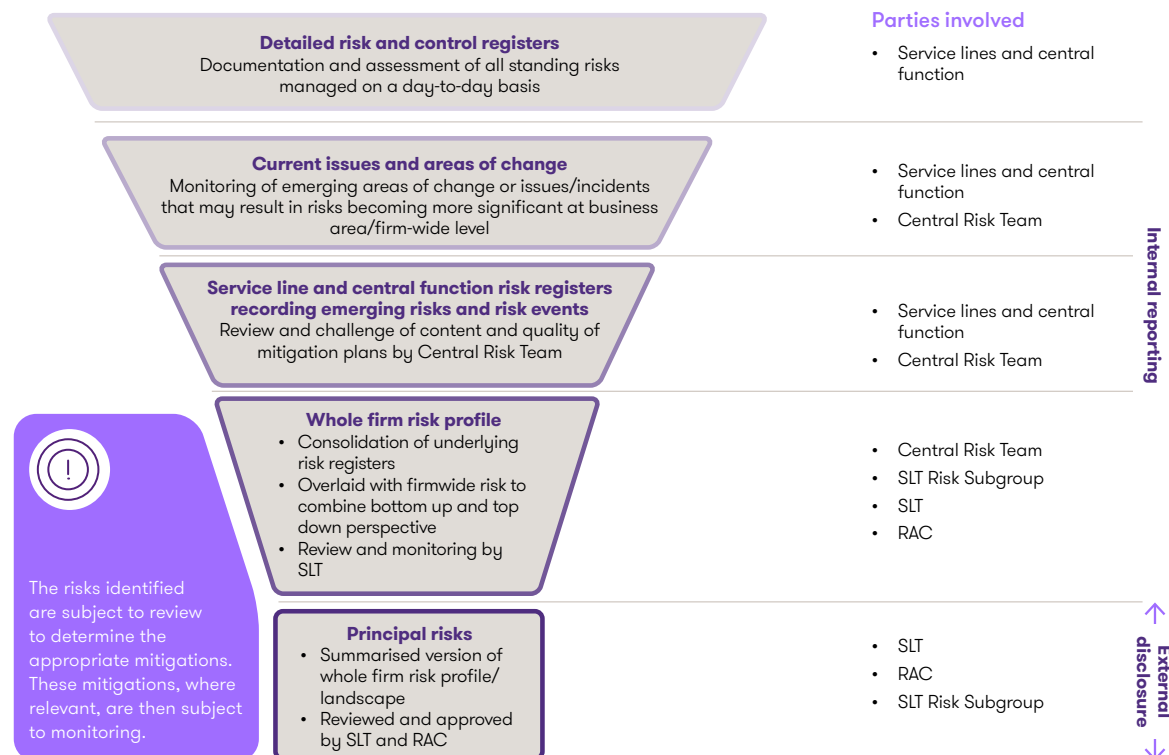
Each service line and central function is responsible for the ongoing identification, remediation and monitoring of their risks, which cover the whole range of risks impacting the firm including regulatory and legal matters. Risks are reported in a consistent manner against set criteria considering the likelihood of occurrence and potential impact on the business. These risks are categorised in accordance with our risk taxonomy, which establishes six primary risk levels reflecting our operating model. The SLT Risk subgroup is positioned between our Central Risk Team and the SLT, and meets quarterly. The membership includes two members of the SLT, Business Director to the SLT, Head of Quality and Risk and the Head of Risk and Resilience.

At the highest level, the purpose of this group is to support the SLT in meeting its responsibilities in relation to enterprise risk management and operational resilience. This includes:

- considering our policies and strategy for both risk and resilience
- providing strategic direction and overseeing the effective operation of these two frameworks
- reviewing, monitoring and moderating our whole firm risk profile, appetite and risk exposure.

Our Whole Firm Risks and Principal Risks ([Appendix C](#)) are reviewed and approved by the SLT and RAC.

Our approach to risk management



Risk management, quality and internal control

Risk management, quality and internal control

Quality

We are committed to delivering consistently high quality, which is key to all that we do. Quality is impacted and influenced by many factors, and it remains the key responsibility of everyone to deliver quality in everything we do.

Quality components

Our quality components ensure clarity for everyone by aligning our shared quality expectations:



Culture

We create a culture where quality is embedded in everything people do



Leadership and governance

We ensure that we have appropriate accountable leadership and governance structures to support quality



People

We recruit, develop and nurture people from all backgrounds. We ensure they have the skills, ability, confidence and enthusiasm to deliver quality work across the business



Risk assessment, mitigation and resilience

We manage risk and build our resilience to support the firm's strategy and deliver quality in all our work



Operating environment and new initiatives

We monitor our operating environment for changes impacting quality. We consider quality, risk and legal requirements for new initiatives, including digital solutions, services and market offerings



Reputation

We behave ethically and meet the expectations of our regulators and society



Take on

We only accept and continue (onboarding) work with clients aligned to our purpose, where we can deliver quality, and only once all legal, commercial and ethical requirements have been met



Technology and data

We have a digital mindset. We manage our information and records to protect confidentiality, maintain their integrity, ensure accessibility and support work done



Delivery

We provide clear and easy-to-understand policies and procedures to guide and support our people to deliver quality assignments. We challenge each other, prior to providing assignment delivery, to ensure our work meets our high-quality standards



Monitoring, reporting and root cause analysis

We monitor processes and controls on an ongoing basis. Reporting and root cause analysis allow us to take appropriate actions to address issues and focus on continuous quality improvement

Risk management, quality and internal control

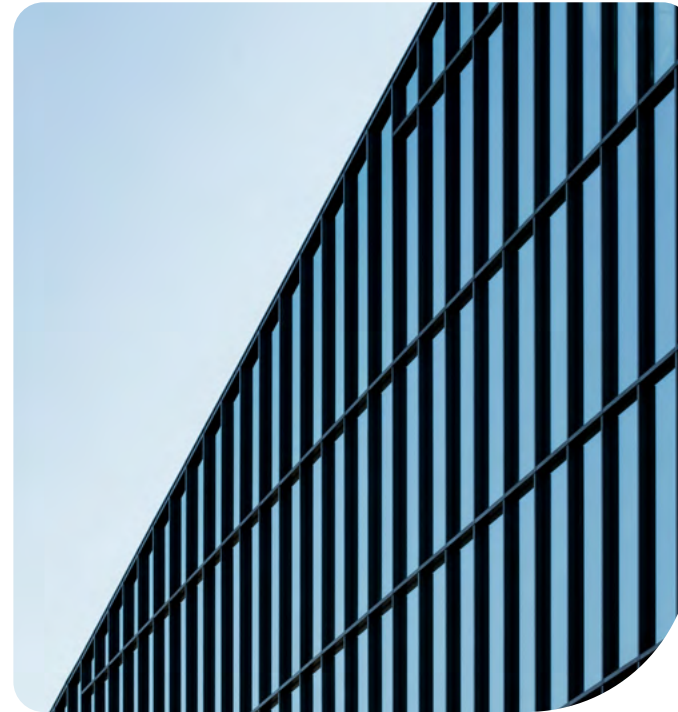
National Assurance Services (NAS)

Within Audit, we have a range of quality processes that directly support our engagement teams which are supported by our NAS team. NAS is the centre of excellence for our specialists in audit and financial reporting, providing support to the audit practice through the provision of training and guidance, a suite of working paper templates and audit software. We continue to adopt a culture of openness and encourage all members of the practice to consult with colleagues, NAS and other teams.

This sharing of knowledge and experience is key to the delivery of audit quality and is supported by specific requirements for teams to consult with NAS on key judgmental and complex issues. Our policies, processes and guidance are there to support teams to ensure our audits, including group audits, comply with relevant requirements.

NAS is split into six areas so that we focus our skills appropriately:

- 1 Financial reporting – gives support to teams on technical accounting and reporting matters, including through the delivery of our ‘hot review’ programme of the review of financial statements for certain active audits
- 2 Audit Professional Services (APS) – provides the foundational technical auditing guidance, methodology and tools to enable audit teams to deliver high-quality audits. The team’s work includes providing timely technical support, guidance and training, developing and releasing new audit tools and methodologies, as well as engaging with the global network on emerging audit issues
- 3 Quality Monitoring – delivers the internal file review programme, as well as undertaking thematic reviews and managing the GTIL review programme
- 4 Quality Support Team – the team undertakes reviews of our highest-risk engagements to provide support to the audit team and Engagement Quality Reviewer (EQR) during the audit
- 5 Audit Risk team – provides risk management support to the practice, and also manages the implementation and testing of the Quality Monitoring Approach (QMA)
- 6 Root cause – investigating the root cause of review findings, supporting the firm to develop better-quality actions based on underlying cause of findings.



Risk management, quality and internal control

Quality Management Approach (QMA)

During the year the QMA has been reviewed to ensure that it delivers a robust system of quality management, with an efficient and effective process. The QMA continues to support regulations including the International Standard on Quality Management (UK) 1 (ISQM 1), the AFGC and Audit Regulations.

The objectives for the QMA remain the same:

- to deliver a risk-based approach to continuously improving quality
- for individuals to see quality as more than tick-box compliance – it is at the centre of everything we do and allows us to meet our stakeholders' expectations
- to design, implement and operate a system of quality management that provides the firm with reasonable assurance that:
 - the firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements
 - engagement reports issued by the firm or engagement partners are appropriate in the circumstances
- to establish and maintain robust monitoring, reporting, root cause and remediation programmes
- to ensure the firm is resilient and can identify and respond to changes in the regulatory environment.

The QMA is led by a steering group which has been chaired by Wendy Russell as Head of Audit. Other members are:

- Head of People and Brand – SLT member
- Head of Quality and Reputation
- Ethics Partner
- Head of NAS
- Head of Audit Risk
- Head of Risk and Resilience
- Chief Information Officer
- Head of Digital Audit

Risk management, quality and internal control

Quality Management Evaluation (QME)

Our QME is the mechanism for evaluating our QMA system, as required by paragraph 53 of ISQM 1. The QME is an annual evaluation process that has four key phases, which have not changed:

- 1 Updating the QMA – updating and reviewing requirements, objectives, risks and responses
- 2 Testing the QMA via the QME – based on audit methodology, all responses to risks tested and a self-certification to key leaders in the QMA
- 3 Reporting and opinion – reporting to the QMA Steering Group and firm governance groups
- 4 Evaluation of identified findings – identifying deficiencies as per the definition in the standard, conducting a root cause analysis if appropriate and adding actions to the audit action plan.

ISQM 1 Statement

As required by ISQM 1, Malcolm Gomersall (CEO) as the individual assigned ultimate responsibility and accountability for the system of quality management has evaluated our system of quality management “The QMA”. The assessment has been completed as at 31 December 2024.

Based on these evaluations we can conclude that as at 31 December 2024 the firm’s system of quality management provides the firm with reasonable assurance that the objectives of the system of quality management are being achieved as required by the International Standard of Quality Management (UK) 1.

Quality Management Evaluation (QME)

1 Update of the QMA

- Update of objectives and requirements
- Reassessment and identification of changes to risks and their ratings
- Update of responses to risks
- Firm risks are assessed to ensure, where appropriate, these are included in the QMA

3 Evaluation of identified findings

- Deficiencies are identified based on the definition from the ISQM 1 Standard paragraph 16
- Findings are evaluated based on their severity and pervasiveness
- Findings are given one of five ratings:

Not deficiencies

Strength – areas of excellence

Observation – areas noted in the review that improved but do not reach the level of a deficiency

Deficiencies

Level 3 deficiency – a deficiency that is neither severe nor pervasive

Level 2 deficiency – a deficiency that is either severe or pervasive

Level 1 deficiency – a deficiency that is severe and pervasive

- Where appropriate deficiencies are subject to root cause analysis
- All deficiencies are subject to action planning

2 Testing of the QMA

- Based on our audit methodology
- Includes consideration of support from the wider network and other third parties
- Each response to our risks was tested
- Consideration was given to wider quality findings from internal and external reviews, including regulatory reviews and internal control findings from the financial statements audit
- Testing was performed by a dedicated team lead by an experienced auditor
- Self-certification was provided by key leaders within the QMA

4 Reporting and opinion

- The results of the QME have been reported to:
 - QME Steering group
 - Malcolm Gomersall (CEO)
 - the PIC
 - the RAC
 - the AQB
 - the Audit Leadership team

Risk management, quality and internal control

Data management

Our Data office supports the firm in the provision of robust data insights for the governance and operation of the firm. It also provides our frameworks and practices for data governance, compliance, architecture and insight. Our reporting to regulators uses this data, along with the input from relevant specialists, including our NAS team, to ensure that we provide complete and accurate information. We have clear processes for reporting to our audit regulators depending on the nature of the reporting.

AFGC internal control review

During the year we have enhanced our key internal control process. The firm has 42 Internal Control Areas and our detailed key internal controls are linked to these. We undertake testing across each of these controls. This was conducted by:

- QME team
- Service line teams
- Central risk team

Actions resulting from findings are monitored for completion, the review is undertaken on an annual basis. The results are reported to the relevant business leadership as well as the RAC. This testing is separate from the work performed by our internal audit team.



Introductions

**Risk management, quality
and internal control**

Digital audit team

Digital audit team

Digital audit team

The pace of change in technology is opening significant opportunities to enhance audit quality, improve the effectiveness of the audit process and improve the overall service we give to our clients.

We have undergone further digital transformation in 2024, doubling the size of our Digital Audit Team to meet the growing needs of our clients and our people.

We support our auditors in three ways:

- 1 We procure, research, develop and implement best-in-class products to enhance audit quality and deliver operational efficiency
- 2 We run high-quality, proactive and reactive digital and data specialist services to free up audit teams to concentrate on the areas of highest complexity
- 3 We provide learning and development opportunities to take all of our people on the journey to enhance their skills to take advantage of technological change

We have 55 digital products (2023: 39) in our application catalogue, being used by our auditors to save an estimated 250,000 hours of time compared to traditional auditing techniques. Crucially, this is time saved to free auditors to spend more time on subjective, complex areas of the audit, areas of significant risk where human judgement remains critical.

Following its implementation in 2023, we continue to work closely with Grant Thornton International on the evolution and further development of our global Leap methodology and Leap engagement tool. Our work with third parties, in-house dedicated audit AppStore and our Leap platform provide a full technology stack, enabling our auditors to focus their efforts on delivering high-quality audit work.

Building on our 2023 success with GTAssist, our first generative AI tool, we have released the AI Hub, providing enhanced generative AI capability, including Copilot integration and document summarisation. We continue to prioritise the development of responsible and ethical AI and machine learning development.

During 2024, we have expanded our services offering, growing our team of data specialists working with clients and adding a proactive Audit Readiness service. Audit Readiness allows us to collect the right data at the right time from our clients, ensuring that we then maximise the impact of our automation and analytics products. It also enables us to spot and highlight potential issues at a much earlier stage of the audit process. Audit Readiness has been made available to a third of our audits with December 2024 year-ends, with wider rollout continuing in 2025.

We also recognise that with the rapid pace of change comes an increased need to equip our auditors with the skills they will need for the future. We are investing in a major digital, data-driven skills programme for our people, to enable all our auditors to identify opportunities to further enhance the Grant Thornton digital audit of the future.

Digital audit team

What we do

Products

- Product ownership hub
- Development hub
- AI & Audit lab
- Test lab
- Data DevOps function

Services

- Support & audit readiness hub
- Service development hub
- Audit data hub
- Audit growth hub

Skills

- Knowledge hub
- Change hub
- Training hub

How we work

We use an agile development framework, involving all key business stakeholders in a comprehensive discovery phase before we commission any development. Once any new development is complete, it is kept under continuous monitoring and review, and we allocate equal time to new products and the improvement of existing products. We follow the Grant Thornton application development process, compiling ISQM 1 documentation as part of the production process.

2024 highlights



150%

increase in digital specialist hours spent with our clients



92%

increase in the use of digital products by our audit teams



OVER 1/3

of clients signed up to our Audit Readiness programme



Global common data model for audit financial data established, promoting international collaboration



Significant improvements to our **data infrastructure** and **audit budgeting** processes



Enhancements to the **Leap engagement tool** rolled out and successfully implemented



Ethics, independence and compliance

Ethics, independence
and compliance

Ethics, independence and compliance

Introductions

We expect our people to behave in a way that is professional, honest and trustworthy, complying with all applicable ethical and professional standards and legal and regulatory requirements, both in the UK and overseas – “doing what’s right, ahead of what’s easy”.

Code of conduct




All our partners and people are required to comply with the fundamental principles for professional accountants. We do what is lawful, what is right and do not allow bias, self-interest or the undue influence of others to affect our professional judgement. These requirements are not new and are key to how our people work. We continue to focus on ensuring these principles are second nature. The principles form the background to our code of conduct (“Code”) which sets out the expectations of all our people and supports our wider ethos of “doing what’s right, ahead of what’s easy”.

Our values underpin our culture and how we do business. They are embedded throughout our firm and set the parameters of how we expect our people to behave with their colleagues, clients and the world at large.

While it cannot govern every possible situation, the Code is a key part of our wider stewardship, governance and risk management culture. It is available to all on our [website](#).

The Code of Conduct provides clarity on what’s expected of every single one of us as Grant Thornton people and as a firm:

Our values

-  Purposefully driven
-  Actively curious
-  Candid but kind

- 1 We will each contribute towards creating a culture that is inclusive and sustainability-led; one where we treat each other with respect and trust, and support each other to make the right choices
- 2 We aim to deliver the highest quality of service to our clients, and meet the expectations of our regulators and wider stakeholders
- 3 We will always put the principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour first
- 4 We will share responsibility for protecting the firm’s reputation, put quality at the heart of everything we do, and strive to deliver work to the expected internal and external standards

Ethics, independence and compliance

Ethics, independence and compliance

Policies, guidance and learning

We use our intranet to provide details of our policies, procedures and guidance as well as how to consult in relation to questions. This information covers all aspects of relevant regulatory requirements, including those issued by the FRC, ICAEW, IESBA, SEC, CIOT, IPA, FCA and general legislation.

All our people are required to confirm their understanding and compliance with relevant ethical requirements and key policies on an annual basis. Regular training is given to refresh people on key topics and requirements, for example, personal independence, provision of non-audit services, anti-money laundering and information protection.

All managers and above are required to maintain details of their investments and those of persons closely associated with them on our Global Independence System (GIS). This system also tracks the financial interests of the firm and its affiliates. Our new joiners are provided with access to and training including:

- our Code of Conduct
- detailed independence requirements, including expected behaviours and access to our policies and processes
- financial crime, data protection and information security.

Conflicts of interest and relationships

If a potential conflict is identified at any stage of our work with a client, we engage with all relevant parties to obtain informed consent and implement procedures to adequately safeguard confidential information. These procedures consider any actual or perceived conflicts. Where necessary the relevant head of service line, the Ethics Function, the Ethics Partner and other member firms are consulted. All GTIL member firms use international relationship checks to identify potential conflicts of interest or independence issues across the network.

If it is not possible to adequately safeguard against the actual or perceived conflict to an extent that an objective, reasonable and informed third party would query our approach, we will not undertake one or more of the services. The final decision as to which, if any, service is provided, is ours, but these decisions are made with the involvement of the entity(s) concerned.

Financial interests

The following are prohibited from having any direct or material indirect financial interest in an audited entity or the parent undertaking of any entity audited by Grant Thornton UK LLP, or in any publicly traded audited entity (or publicly traded parent of an audited entity) of a member firm of GTIL unless specific approval has been given where allowed under regulations:

- Our partners
- Our INEs and AQB non-executive members
- Other individuals who can bind the firm, for example, employee Responsible Individuals (RIs) or local public audit Key Audit Partners (KAPs)
- Covered persons as defined by the FRC – broadly a person in a position to influence the conduct or outcome of an audit or other public interest assurance engagement, including certain persons with wider firm supervisory, management or other oversight responsibilities
- Any persons closely associated with any of the above

Any financial interest outlined above, or deemed to create a conflict or independence threat, must be disposed of within 10 working days.

Supplier and third-party relationships

As our independence requirements extend to our suppliers and our other business relationships or third-party relationships, we carry out checks before we enter new supplier contracts and other relationships. This is to identify if we perform any audit, or other public interest assurance engagements with the supplier or other party. If relationships are identified, consideration is given to any potential threat to independence. Risk-based financial crime due diligence and other checks, including in relation to compliance with our Third Party Code of Conduct, are also undertaken for our suppliers.

Ethics, independence and compliance

Introductions

Gifts, hospitality and favours

Our people are not permitted to accept or give audit clients, suppliers or third parties any gifts, favours or hospitality that might, or might be seen to, prejudice our integrity and objectivity in relation to our current or prospective clients. Consideration is given not only to the monetary amounts but also non-monetary considerations, for example, the nature, frequency, context and parties involved. We have clear policies on what may be accepted or given – no gifts, favours or hospitality can be accepted from or given to any audit clients unless the value is trivial and inconsequential. Our policy requires these to be recorded in our systems and prior approval must be obtained from the Ethics Function, the Financial Crime Team, Head of Quality and Risk and SLT above certain limits.

Client and engagement take-on

Our Beyond Compliance process provides a framework – prior to our detailed Acceptance and Continuance process for any audit – to consider the identity and characteristics of the clients we act for and the services that we provide, to ensure that we can be confident that they support our reputation. The process is designed to go ‘Beyond Compliance’ to ensure we make the right Acceptance and Continuance decisions. Initial questions are used to focus on the characteristics, behaviours and values of potential and existing clients, and how they relate to the values we hold as a firm. It also considers the



services we propose to provide to clients to ensure that they are appropriate, that the risks can be managed and that we have the skills to deliver the engagement.

As part of our take-on procedures we consider various matters including: client identification, legal structures, ownership, anti-money laundering, current business relationships, sanctions, other conflicts of interest or matters that could impact on our independence for any audits and other public interest assurance engagements.

Where the responses are not straightforward, or when certain criteria are met, the process is reinforced by consultation with more senior individuals and, for the most challenging matters, we hold a Central Take-On Panel (CTOP). This comprises our senior leadership, who work to assess such opportunities. Within Audit there is an additional bid/no bid process for those entities that are not subject to CTOP but meet specific, higher-risk criteria.

Audit-specific matters

Non-audit services - prior to accepting any non-audit service to any audit entity (or other public interest assurance engagement), approval must be received from the relevant audit (and/or assurance) engagement leader. This approval is only given after consideration of the permissibility of any service, the possible threats to our independence and the adequacy of any planned safeguards. Consultation with the Ethics Function is required in situations where there is increased complexity as to the permissibility of a service or the proposed safeguards.

Where required, the circumstances are communicated to the audit entity's audit committee or those charged with governance. In the case of PIEs and listed entities, non-audit services are subject to audit committee approval prior to commencement of work.

Ethics, independence and compliance

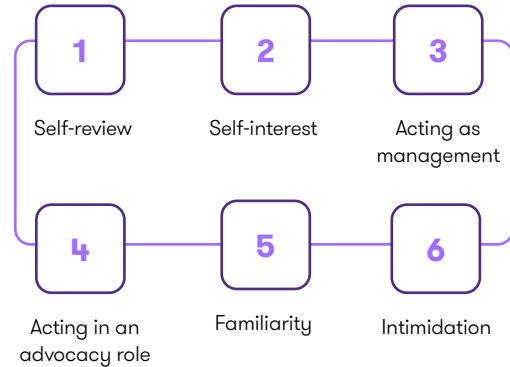
Ethics, independence and compliance

Introductions

Audit independence assessment

On each audit engagement, our teams make a full assessment of independence at the planning stage. This assessment is ongoing throughout the audit and considers both the firm's and the audit team's independence.

This assessment is made through consideration of the six key independence threats:



Specifically, in relation to familiarity, we have policies relating to engagement leader and team rotation requirements. These policies are based on the requirements for the specific audit, which - in most cases - is the FRC's Ethical Standard. On occasion, we are required to specifically comply with other requirements; for example, IESBA, SEC or public sector. We have also applied some stricter policies for non-listed entities which we have designated as being of heightened public interest.

On limited occasions, we may use the extensions within sections 3.14 and 3.15 of the FRC Ethical Standard for PIEs and other listed entities. For our non-listed audits, an extension may be given for a limited period, to help maintain audit quality, after consultation and subject to appropriate safeguards.

From the firm's perspective, we follow the relevant legislative requirements in respect of auditor rotation.

Nature of entity	Role	Term (years)	Cooling off (years)
PIE/other listed entities	Audit RI or KAP	5	5
PIE/other listed entities	EQR	7	5
PIE/other listed entities	Key partners involved in the engagement	7	2
PIE/other listed entities	Other partners and people in senior position	7	Subject to assessment of the threats and safeguards to independence
Non listed	All roles	10	2

Ethics, independence and compliance

Monitoring

Monitoring

Monitoring

We have a range of review and monitoring processes at the audit level and across the firm. We use a range of Audit Quality Indicators – both firmwide and engagement specific – as well as presenting profession-wide indicators in our annual Transparency Report. We are also subject to external monitoring, primarily by the FRC and the ICAEW (QAD).

Engagement reviews – external

The firm's commercial audit practice was subject to the following external inspections:

- Two commercial audits by the FRC AQR team
- Ten commercial audits by the ICAEW QAD team

All of the commercial audits inspected by the FRC and ICAEW were graded within the highest two grading categories. This exceptional result reflects the firm's ongoing commitment to audit quality. This follows the two preceding years in which the firm also achieved a 100% pass rate from FRC and ICAEW inspections.

Notwithstanding our excellent results, we perform a root cause analysis for every audit subject to inspection and seek to address any points reported from the inspection process.

During the year we have also received or responded to the FRC in relation to a number of non-engagement specific areas, including:

Risk management
Professional Indemnity Insurance
Tier 2 Systems of Quality Management Monitoring
Ethics and independence



The risk management review was a follow-up from a review in 2021, to assess whether recommendations made had been adequately considered. No new recommendations were raised and some observations were made by the FRC. The other elements of the FRC's work have not yet been finalised.

When the FRC raise findings or recommendations, these are assessed by senior individuals, including the Head of Audit, and actions plans are developed as required. We've also responded in respect of the status of actions for areas subject to prior FRC sanction, including ethics.

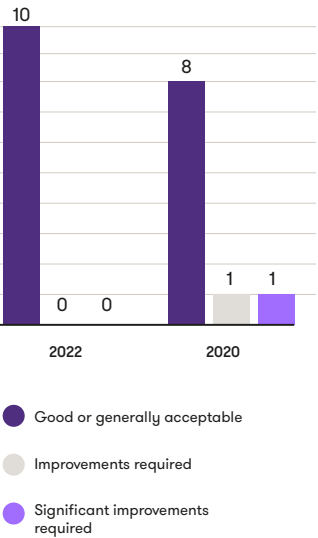
Monitoring

Grant Thornton Assessment and Review (GTAR)

In 2024 GTIL performed a review, and no significant findings were noted.

QAD

The QAD visited during 2024 and the results of the visit are being finalised. The results of previous visits are:



Engagement reviews – internal

We undertake internal quality reviews for our signing engagement leaders (RIs, KAPs and others who act as public sector auditors). We have two types of review: 1 National Assurance Review (NAR)

This covers the whole audit from planning to completion, and includes a review of detailed audit work across a range of areas. Each engagement leader receives a NAR review at least once every three years, with new engagement leaders being reviewed normally within a year of appointment. Any engagement leader with files that do not meet the expected standard is subject to review in the subsequent year.

2 Pulse programme

This focuses on key risk areas of each audit. Any engagement leader who has not been subject to an external or NAR review receives a pulse review.

Total engagement reviews (including public sector)

During the 2024 review cycle 94 (2023: 113) reviews have been conducted comprising both internal and external reviews.

Number of reviews	2024	2023	2022
External review	10	19	32
NAR	37	47	40
Pulse review	48	47	43
GTAR	-	-	-
Total	94	113	115
Relevant engagement leaders reviewed (%)	100	100	100

	Internal reviews			Total reviews		
Findings (percent)	2024	2023	2022	2024	2023	2022
Good or limited improvements required	95	80	75	95	83	74
Improvements required	1	7	15	2	6	16
Significant improvement required	4	13	10	3	11	10

Monitoring

Monitoring

Internal

Monitoring activities are classified as hot and cold. Hot monitoring is for live, ongoing engagements or prospects. Cold monitoring looks at a sample of completed engagements and events to evaluate whether firm policies and procedures were complied with. This monitoring was undertaken as part of the QMA implementation.



Internal ethics and independence

We operate a number of specific monitoring activities in relation to compliance with the FRC Ethical Standard and other relevant independence regimes. The key mechanisms are:

- individual NAR file reviews consider how the engagement team addressed ethical and independence matters
- the Annual Declaration process is a comprehensive declaration from all partners and people concerning understanding and compliance with our policies and procedures in respect of ethics, independence, confidentiality, gifts and hospitality and other regulations
- sample testing of partners and people at manager grade and above to check the accuracy and completeness of disclosed financial investments
- consideration of ongoing consultations from engagement teams
- pre-approval of non-audit services to audit clients
- ensuring that rotation requirements are met at individual and firm level
- pre-approval of gifts, favours and hospitality, and monitoring against expenses review of ethics and independence matters for higher-risk audits at planning and completion.


Action plans

Action plans are developed for internal and external reviews. These actions are monitored and the status of actions reported to the AQB.


Monitoring

Audit Quality Indicators (AQIs)


As an audit service line we use a number of Audit Quality Indicators (AQIs) to support wider monitoring, covering areas such as:




Employee activity levels including utilisation




Sickness and attrition




Use of data tools




Quality survey results



Ethical breaches



Consultations with our technical teams



Training

These AQIs are presented in two dashboards (summaries from both are reported on a quarterly basis to the AQB):

- 1 Engagement leader dashboard – each audit engagement leader has their own dashboard with a range of AQIs to help them consider quality on their live audit engagements
- 2 Firmwide AQI dashboard – Head of Audit has access to a series of AQIs to assist with broader operational management

During 2024, we provided information to the FRC for their profession-wide pilot on Firm Level AQIs, which will be repeated in 2025, when we expect the data to be published by the FRC. A summary of these AQIs is set out in [Appendix E](#).

The PRG identified AQIs in five areas, which the main audit firms publish in their transparency report on an annual basis. The following table identifies each AQI and where it can be found in this report:

AQI area	Location in report
Details of internal and external reviews	See above in this section
External investigations related to audit	Disciplinary and enforcement matters
Investments in audit	Training hours – People and Culture Wider investment in quality processes – Risk management, quality and internal control
Investor liaison	Investor and external dialogue
Partner and staff surveys — three questions based on: 1 firm’s commitment to quality 2 sufficient time and resources to deliver quality 3 training and development.	People and Culture

Monitoring

Root Cause Analysis (RCA)

Root Cause Analysis (RCA) is undertaken following the results of both internal and external quality monitoring reviews. Further RCA is also undertaken in respect of other areas where we have a concern over quality or themes arising from the quality monitoring reviews. At the end of reviews and also annually, themes are identified and actions developed to address those negatively impacting quality, as well as to encourage wider uptake of areas of strength.

- Our RCA approach is tailored to the subject being considered but includes a combination of:
- data gathering and analysis
 - interviews with the team – including the manager, engagement leader, EQCR and specialists where applicable
 - group discussions and focus groups.

Number of reviews cover by RCA	2023/24	2022/23	2021/22
External file reviews	4	17	14
Internal file reviews	22	40	30

The results of the RCA are reported to the AQB and PIC. In the 2023/24 cycle, the key topics identified that impact audit quality, either positively or negatively, are:

- project management
- on-the-job training and coaching
- senior time investment
- knowledge of the business
- quality of communication.

Disciplinary and enforcement matters

FRC
In April 2024, the FRC published findings that we failed to comply with the Regulatory Framework for Auditing in our audit of a local authority’s pension fund and, pursuant to the Auditor Regulatory Sanctions Procedure, fined us £40,000 and accepted written undertakings from us.

There are no ongoing disciplinary investigations by the FRC into the firm’s audits under the Audit Enforcement Procedure or the Accountancy Scheme.

We continue to comply with monitoring and reporting obligations imposed following disciplinary findings made in 2021 relating to our 2018 audit of Sports Direct International Plc. These obligations are due to conclude in 2025.

In 2024, we concluded our monitoring and reporting obligations, imposed in 2021, following disciplinary findings relating to our audits of Patisserie Holdings Plc and Interserve Plc.

ICAEW
In November 2024, the ICAEW imposed a severe reprimand in respect of an audit of ours that concluded in 2018 of an entity whose name it did not publish and fined us £112,500.

We have ongoing disciplinary investigations by the ICAEW that we are working to resolve.



Public sector audit – including local audit

Public sector audit –
including local audit

Public sector audit – including local audit

Our public sector practice provides statutory and other related audit services to a range of public sector clients, including those subject to the Local Audit and Accountability Act 2014 (the Act). The Act requires the auditor of certain public bodies in England to appoint a registered ‘Local Auditor’ as their statutory auditor.

Bodies to which the regulations apply include:

- councils
- health trusts (excluding foundation trusts)
- integrated care boards
- police and crime commissioners and chief constables
- fire and rescue services
- national parks
- certain pension funds.

As is widely documented, the public sector continues to face a range of challenges in terms of both service delivery and financial sustainability. There is pressure on local authorities and NHS bodies to deliver efficiencies, while also providing better services for people. We have seen many instances over the past year where public bodies have undertaken innovative and often complex projects. Some of these have worked well; others less so. Undertaken as they are under the National Audit Office Code, our audits have a wide scope and have a responsibility to report on Value for Money, as well as a duty to consider whether we should report in the public interest. We take these responsibilities seriously and have issued one Report in the Public Interest and nine Statutory Recommendations in the past year.

Another significant issue in the local government sector is the introduction by the government of a statutory backstop date in December 2024 requiring authorities to publish their accounts for years up to 2022/23 by 13 December 2024. A further backstop date of 28 February 2025 was introduced for financial year 2023/24. Grant Thornton’s objective has been to complete our work wherever possible in advance of the backstop date. We issued unqualified opinions on 84% of our audits for 2022/23 by December 2024. For 2023/24, with the new PSAA contact, we have inherited a number of audits from other firms which were previously backstopped. We are working closely with the National Audit Office (NAO), the Financial Reporting Council (FRC) and audited bodies to help regain assurance for all backstopped audits. This will be vital in ensuring the public gets the assurance it deserves in respect of the use of public money.

Public sector audit – including local audit

As part of our wider responsibilities as local auditors under the National Audit Office Code of Audit Practice, we have issued the following reports in respect of our obligations over local authorities since 1 January 2024:

Year	Authority	Report
February 2025	Cumberland Council	Statutory Recommendations
February 2025	Birmingham City Council	Public Interest Report
February 2025	Teignbridge Council	Statutory Recommendations
January 2025	Dover District Council	Statutory Recommendations
January 2025	Somerset Council	Statutory Recommendations
January 2025	Wirral Council	Statutory Recommendations
November 2025	West Midlands Fire	Statutory Recommendations
November 2024	Halton Borough Council	Statutory Recommendations
November 2024	Woking Council	Public Interest Report
February 2024	Nottingham City Council	Statutory Recommendations
January 2024	Cannock Chase District Council	Statutory Recommendations
January 2024	Dudley Council	Statutory Recommendations
January 2024	Stafford Borough Council	Statutory Recommendations

Registration

We are registered as a Local Auditor under the requirements of the Act through registration with the ICAEW. At 31 December 2024 we had 31 registered Key Audit Partners (KAPs) (2023: 30), the most of any audit firm. Our dedicated public sector audit practice is a key part of our audit service line.

Structure

The public sector practice follows the same policies, processes and methodologies as the wider audit practice with adaptation to meet the specific requirements of our public sector audit base. The team faces many of the same challenges faced by our wider audit practice. The Head of Public Sector Assurance reports to the Head of Audit.

Internal control

Our local audit work is subject to our overall internal quality control system, the QMA, and has been subject to the review under the QME. There are additional areas of control that are focused on local audit. These include:

- a dedicated public sector technical team – providing guidance and support to audit teams in respect of specific accounting, audit and financial reporting matters, and working closely with our NAS teams to ensure consistency of approach
- specific sector files are developed to support the consistency of our quality
- the public sector nature of local audits is considered as part of our acceptance and continuance process
- we have specialist technical panels for specific matters which are unique to the public sector, for example, Value for Money.

Recruitment

The public sector practice uses the same recruitment processes as the wider audit practice but with a clear focus on the public sector nature of our work.

Public sector audit – including local audit

Public sector audit – including local audit

Development, appraisal and promotion

Individuals follow the same development, appraisal and promotion processes as those of the wider audit practice. This includes the use of the same competency framework and CPD requirements.

Learning

Given the specialist nature of public sector audit, we take very seriously the need to ensure that all people working on local audits keep up to date technically and professionally. People working in the public sector team are subject to the same training requirements as people in the wider audit practice. However, to ensure all individuals maintain and develop their technical competence for public sector work, we provide additional training and support under our sector badging policy.

In 2024, for our qualified people, this has included:

- ongoing training on a range of topics including the audit of estimates, property valuations, journals and sampling
- a number of digital audit training sessions and workshops, supporting teams to utilise our growing suite of digital tools
- feedback from the results of internal and external inspections, highlighting learning and development needs
- weekly updates or briefings for teams on hot topics
- a briefing session for Engagement Leads on the new Local Government audit contract
- a range of briefings and tailored training sessions on the implementation of the local authority backstop
- specific training on pension fund audits
- tailored training on sector specific financial reporting

In total, training approximated to 10 (2023: 10) days per person. Our associates received their own tailored programme in line with our internal and professional requirements.

Quality monitoring

Our public sector audits are subject to both internal and external monitoring. The internal monitoring is detailed in the Monitoring section of this report. We are also subject to potential external review from several regulatory bodies; during the year we have been subject to inspections from FRC and QAD.

During the year, six (2023: four) files have been subject to external inspections:

Type of audit	2024	2023	2022
NHS Foundation Trusts	2	-	2
Major Audits – NHS	2	2	1
Major Audits – Local Government	-	1	6
Non Major local audit	2	1	3

We also undertook a number of internal reviews as part of the NAR programme. In 2024 we undertook five (2023: nine) and seven pulse reviews (2023: seven). As a result of these reviews, we identified some key areas which we have focused on in our training.

Public sector audit – including local audit

Public sector audit – including local audit

The Local Auditors (Transparency) Regulations 2020

Our response to the disclosure requirements of the Local Auditors (Transparency) Instrument 2015 is outlined below. As our public sector practice is integrated with our wider audit practice, most of our responses cross-reference to the wider Transparency Report.

Provision of the Local Audit Regulations Review		How Grant Thornton UK LLP complies
A	A description of the legal structure, governance and ownership of the transparency reporting local auditor	See Appendix G – Legal structure including GTIL
B	Where the transparency reporting local auditor belongs to a network, a description of the network and the legal, governance and structural arrangements of the network	See Appendix G – Legal structure including GTIL
C	A description of the internal quality control system of the transparency reporting local auditor and a statement by the administrative or management body on the effectiveness of its functioning in relation to local audit work	See above and section Risk management, quality and internal control
D	A description of the transparency reporting local auditor’s independence procedures and practices including a confirmation that an internal review of independence practices has been conducted	Our public sector practice is subject to the same ethics and independence rules as all other areas of audit practice. This includes firmwide requirements where applicable. See section Ethics, Independence and Compliance
E	Confirmation that all engagement leads are competent to undertake local audit work and staff working on such assignments are suitably trained	Our engagements leaders for this work are all KAPs under the legislation. They and our people are appropriately trained and competent in the roles. See above and in section People and Culture
F	A statement of when the last monitoring of the performance by the transparency reporting local auditor of local audit functions took place, within the meaning of paragraph 23 of Schedule 10 to the 2006 Companies Act, as applied in relation to local audits by Section 18 and paragraphs 1, 2 and 28(7) of Schedule 5 to the 2014 Act	As set out above, the last external reviews were undertaken by the FRC and QAD during the year
G	A list of major local audits in respect of which an audit report has been made by the transparency reporting local auditor in the financial year of the auditor; and any such list may be made available elsewhere on the website specified in regulation 4 provided that a clear link is established between the transparency report and such a list	See Appendix J – Major Local Audits

Public sector audit –
including local audit

Public sector audit – including local audit

Provision of the Local Audit Regulations Review		How Grant Thornton UK LLP complies
H	A statement on the policies and practices of the transparency reporting local auditor designed to ensure that persons eligible for appointment as a local auditor continue to maintain their theoretical knowledge, professional skills and values at a sufficiently high level	See section on “Learning” above
I	Turnover for the financial year of the transparency reporting local auditor to which the report relates, including the showing of the importance of the transparency reporting local auditor’s local audit work	Turnover from local audit (PSA) work in the 12 months to 31 December 2024 was £57.5 million, (2023: £44.4 million). This represents 26.6% (2023: 23.1%) of the firm’s UK total audit revenue and 7.5% (2023: 6.4%) of firm’s total UK revenue, respectively. These amounts are included in the revenue disclosed in Appendix G
J	Information about the basis for the remuneration of partners	See Appendix H – Financial information and partner details

Public sector audit – including local audit

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Appendix A

Audit firm governance code and EU regulations

AFGC

We have set out how we have complied with the AFGC – April 2022 issued by the FRC. We have adopted this revised code from 1 January 2023 and we consider the firm to be compliant with the provisions of the new code.

Provision of the code		How we comply
A	Leadership	
1	A firm should establish a Board or equivalent governance structure to oversee the activities of Management.	The PBG acts as our primary governance group. See Leadership and governance.
2	At least half a firm’s Board should be selected from among partners who do not have significant management responsibilities within the firm.	None of the partners on the PGB have significant management responsibilities.
3	The Chair of the Board should not also chair parts of the Management structure or be the managing partner.	Imogen Joss chairs the PGB and is one of the firm’s INEs.
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.	Terms of reference are present for the PGB and sub committees. These are available on our website – Leadership and governance Grant Thornton

Provision of the code

- 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.
- 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.
- 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.
- 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.
- 9 A firm should disclose in its annual transparency report:
- the names and job titles of all members of the firm's governance structures and its Management
 - a description of how they are elected or appointed and their terms, length of service, meeting attendance in the year and relevant biographical details
 - 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
 - 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.

How we comply

- The partner members of the PGB and SLT are subject to the firm's membership agreement in respect of remuneration and progression. This is reviewed by the remuneration committee in relation to:
- profit share process
 - the remuneration framework for the CEO and SLT
 - partner exits.
- The Remuneration and performance evaluation for our INEs is considered by the Nominations Committee, and, where appropriate, the partner non-executive members of the Remuneration Committee
- Details can be found in the terms of reference of each committee which are on our website:
- [Remuneration \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/remuneration)
 - [Nominations Committee \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/nominations-committee)
- All individuals, including non-executive members, of our governance groups are subject to annual performance evaluation. Members of the PGB serve for an initial three-year period with a maximum term of continuous appointment of elected members (six years) and INEs (nine years). Details can be found in the terms of reference which are on our website [Terms of Reference \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/terms-of-reference).
- A board self- evaluation is conducted annually, with an externally facilitated review occurring at least every four years.
- Those charged with governance, including our non-executive members, have access to the same information as Management.
- See [Leadership and Governance](#), especially subsection PGB and PIC.
- [Appendix D – attendance at meetings and length of service](#)
- [Appendix E – Biographies and changes.](#)

Provision of the code

How we comply

B	People, values and behaviour	
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.	<p>The firm's guiding principle is "Doing what's right, ahead of what's easy"; the Board and management set our purpose, values and culture in consultation, where appropriate, with our people.</p> <p>Our purpose and values are set locally within the firm, with reference to the overall approach and strategy of GTIL.</p> <p>During the year, our Chief Executive Officer Malcolm Gomersall was a member of the GTIL Board of Governors. Malcolm also represents the firm on each of the Board of Governors standing committees. The firm also has several secondees working with GTIL on global projects. This allows the firm to ensure appropriate influence at a GTIL level.</p>
11	A firm should have a code of conduct which it discloses on its website and requires everyone in the firm to comply. The Board and INEs should oversee compliance with it.	<p>Our Code of Conduct can be found on our website Code of conduct Grant Thornton</p> <p>All our people have to comply with this code. We also publish on our websites our codes/statements in respect of:</p> <ul style="list-style-type: none"> • Anti-bribery and corruption Anti-bribery and corruption statement (grantthornton.co.uk) • Third party code of conduct Third-Party Code of Conduct (grantthornton.co.uk) • Modern slavery Modern slavery statement (grantthornton.co.uk) • Carbon reduction Carbon Reduction Plan (grantthornton.co.uk) • Approach to tax Our approach to tax Grant Thornton.
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.	See People and Culture , especially subsection Culture .
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.	See People and Culture , especially subsection Speak Up .
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.	See Appendix B – Key Performance Indicators .
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 cultures 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.	See People and Culture , especially subsection Culture .

Introductions

Appendices

Provision of the code

How we comply

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.	See People and Culture , especially subsection Culture and Speak Up .
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.	Our INEs and non-executive members of the AQB are involved in people matters as part of their role on the PGB, PIC and AQB, including receiving reports from the Head of People and Brand. Paula Dillon is our INE with responsibility for people matters.
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.	Our INEs and non-executive members of the AQB receive data and access to people in the firm to allow them to understand values and communicate their role.
19	A firm should disclose in its annual transparency report a description of how: <ol style="list-style-type: none"> it engages with its people and how the interests of its people have been taken into account in decision-making 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. 	<ol style="list-style-type: none"> See People and Culture, especially subsection Our people are our business see Risk management, quality and internal control especially subsection Risk management.
C Operations and resilience		
20	A firm should assist the FRC and its successor bodies to discharge its duties by sharing information openly.	The firm works with the FRC on a regular basis and will continue to work with any successor body.
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.	The firm has regular engagement with the FRC, ICAEW team and other regulators as required. There is a formal action management process for all audit-related regulatory reviews.
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.	See Risk management, quality and internal control , especially subsection Data office.

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- 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.
- 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.
- 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.
- 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, ie, 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.
- 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.
- 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 confirmation 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
 - 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.

How we comply

- See [Leadership and governance | Grant Thornton](#) on our website. All activities are at UK level.
- See [Risk management, quality and internal control](#).
- Our Key internal controls review is undertaken in conjunction with our QME, which meets the requirements of ISQM 1.
- See [Appendix C – Firm's principal risks](#).
- We consider that we are compliant with the principles of the AFGC. This is explained in this appendix and throughout this report.
- This is included in our financial statements which can be found on our website [Annual reports | Grant Thornton](#)
- a See [CEO](#) and [Head of Audit Commentaries](#) plus developments in each major section
 - b See [Risk management, quality and internal control](#) including subsection [Quality Management Approach \(QMA\)](#)
 - c See [Leadership and Governance](#), especially subsection [RAC](#)
 - d See [Risk management, quality and internal control](#), especially [AFGC internal control review](#)
 - e See [Risk management, quality and internal control](#), especially [Quality Management Approach \(QME\)](#)
 - f See [Appendix C – Firm's principal risks](#)
 - g See [Appendix G – Legal structure including Grant Thornton International Limited \(GTIL\)](#).

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D	INEs and ANEs	
29	INEs should number at least three, be in the majority and 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.	We have three INEs. Our PIC oversees public interest matters. The INEs are the only members of this committee.
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.	We have three INEs and they meet regularly as a private group to discuss matters relating to their remit. The terms of reference for our governance structures are disclosed on our website and set out the composition our governance structures whose membership includes INEs.
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, 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.	See statement by our "INE Chair of the Partnership Governance board (PGB) and the public interest committee". See Leadership and Governance – subsections PIC and INE .
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.	See Leadership and Governance – subsection RemCo .
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.	Our INEs directly and through engagement with the SLT have access to information relating to the activities of GTIL. This includes access to the GTIL INEs.
34	INEs should have regular contact with the Ethics Partner, who should under the ethical standards have direct access to them.	The ethics partner attends the PIC on a regular basis.
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.	See Leadership and Governance – subsection Investor and external dialogue .

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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.	Each of our INEs and ANEs has a contract for services and are appointed for specific terms of three years up to a maximum of nine years.
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.	Sufficient resources, including access to independent legal advice, is available to our INEs and ANEs.
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.	These are in place and disclosed within the INE terms of reference on our website. Appointment, role, and responsibilities of Independent non-executives (INEs) (grantthornton.co.uk) .
39	An INE (and/or ANE) should alert the regulator as soon as possible to their concerns in the following circumstances: <ul style="list-style-type: none"> the INE or ANE believes the firm is acting contrary to the public interest the INE or ANE believes the firm is endangering the objectives of this Code the INE or ANE initiates the procedure for fundamental disagreements. 	Our INEs and independent members of the AQB are aware and committed to this requirement of the Code.
40	A firm should disclose in its annual transparency report: <ul style="list-style-type: none"> 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 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. 	<ul style="list-style-type: none"> a See Leadership and Governance – subsection INEs b See Ethics, independence and compliance – subsection “INEs’ independence”. There have been no changes to non-executive appointments in the year. Philip Johnson stood down as Chair of the AQB on 31 January 2024.
E	Operational separation	
	This is not applicable to the firm as we are not required and have not applied operational separation; however, we would note the following: that we comply with the requirements of provisions 41-43.	

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EU Regulations

How we comply with Article 13 of the EU Regulations 537/2014, which is enshrined into UK Law, is set out below.

Summarised requirement	How we comply
<p>A statutory auditor or an audit firm that carries out statutory audits of public-interest entities shall make public an annual transparency report at the latest four months after the end of each financial year. That transparency report shall be published on the website of the statutory auditor or the audit firm, and shall remain available on that website for at least five years from the day of its publication on the website. If the statutory auditor is employed by an audit firm, the obligations under this Article shall be incumbent on the audit firm.</p>	<p>This transparency report, along with our prior reports are available on our website under About us/Annual report</p>
<p>Statutory auditors and audit firms shall communicate to the competent authorities that the transparency report has been published on the website of the statutory auditor or the audit firm or, as appropriate, that it has been updated.</p>	<p>The FRC and ICAEW are informed of the publication of this Transparency Report.</p>
<p>The annual transparency report shall include at least the following:</p>	
<p>a a description of the legal structure and ownership of the audit firm</p>	<p>See Leadership and Governance</p>
<p>b where the statutory auditor or the audit firm is a member of a network:</p> <ul style="list-style-type: none"> i a description of the network and the legal and structural arrangements in the network ii the name of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network iii the countries in which each statutory auditor operating as a sole practitioner or audit firm that is a member of the network is qualified as a statutory auditor or has his, her or its registered office, central administration or principal place of business iv the total turnover achieved by the statutory auditors operating as sole practitioners and audit firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements. 	<p>See Appendix G – Legal structure including Grant Thornton International Limited (GTIL).</p>
<p>c a description of the governance structure of the audit firm</p>	<p>See Leadership and Governance</p>
<p>d a description of the internal quality control system of the statutory auditor or of the audit firm and a statement by the administrative or management body on the effectiveness of its functioning</p>	<p>This is discussed throughout this report but specifically in sections:</p> <ul style="list-style-type: none"> • Leadership and governance • Risk management, quality and Internal control • Ethics, independence and compliance • People and culture • Monitoring
<p>e an indication of when the last quality assurance review referred to in Article 26 was carried out (External review)</p>	<p>See Monitoring</p>

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Summarised requirement	How we comply
f A list of public-interest entities for which the statutory auditor or the audit firm carried out statutory audits during the preceding financial year.	See Appendix I – UK Public Interest Entities
g A statement concerning the statutory auditor’s or the audit firm’s independence practices which also confirms that an internal review of independence compliance has been conducted.	See Monitoring – subsections “Firm-wide monitoring”, “Ethics, Independence and compliance”
h A statement on the policy followed by the statutory auditor or the audit firm concerning the continuing education of statutory auditors referred to in Article 13 of Directive 2006/43/EC.	All of our qualified people are required to take part in appropriate continuing professional education. This includes compliance from 1 November 2023 with the revised ICAEW CPD requirements
i Information concerning the basis for the partners’ remuneration in audit firms.	See People and Culture
j A description of the statutory auditor’s or the audit firm’s policy concerning the rotation of key audit partners and staff in accordance with Article 17(7)7).	See Appendix H – Financial information and partner details
k Where not disclosed in its financial statements within the meaning of Article 4(2) of Directive 2013/34/EU, information about the total turnover of the statutory auditor or the audit firm, divided into the following categories: i revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity ii revenues from the statutory audit of annual and consolidated financial statements of other entities iii revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm iv revenues from non-audit services to other entities.	See Ethics, Independence and compliance sub section “Audit specific matters
l The transparency report shall be signed by the statutory auditor or the audit firm.	The report is signed by Malcolm Gomersall on behalf of Grant Thornton UK LLP

Appendix B

Governance Key Performance Indicators (KPIs)

Our governance KPIs have updated to reflect the requirements of the revised AFGC. Operational Separation is not relevant to the firm as we are not required, and have not complied with, the detailed principles.

Area of the AFGC	KPI	Response	
Leadership	Terms of reference are present for each key governance body and are available on our website. These include details of the scope/matters reserved for the body and membership	These are available on our website Leadership and governance Grant Thornton	
	Terms of reference are reviewed at least every year for the AQB, PIC and key PGB subcommittees	This has been completed, these are available on our website Leadership and governance Grant Thornton	
	Independent members chair all key governance groups	Group	Chair
		AQB	Faried Chopdat
		PGB	Imogen Joss
PIC		Imogen Joss	
		RAC	Deena Mattar
		RemCo	Paula Dillon
		The SLT and IC were chaired by Malcolm Gomersall (as CEO) and Philip Secrett respectively as these are not key governance groups	

Area of the AFGC	KPI	Response
Leadership	The minimum average attendance target for each group is 80% on a rolling 12-month basis	Attendance
		SLT 98%
		PGB 97%
		PIC 89%
		AQB 94%
		RAC 100%
		RemCo 90%
		Investment Committee 100%
	Members of our governance groups are subject to a formal annual appraisal	This has been completed
	A formal external evaluation of the effectiveness of the PGB is undertaken at least every three years	This last was undertaken in 2022
People, values and behaviour	The Code of Conduct is available on our website and our people are required to apply it	This is available on our website Leadership and governance Grant Thornton
	The firm has a Speak up policy including the availability of a confidential Whistleblowing line which is advertised and available to all	This has been completed
	One INE is nominated to review people management policies and procedures. They should monitor these policies and procedures	Paula Dillon has this role
Operations and resilience	Firm has a process to agree, monitor and report actions agreed with the audit regulator	See Monitoring , especially “Action Plans”
	The INEs (via the PIC) receive updates on complaints and whistleblower matters during the year	See Leadership and Governance , especially subsection “Public Interest Committee”
	The PIC reviews’ compliance with the AFGC	This has been completed

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Area of the AFGC	KPI	Response
Operations and resilience	At least annually the SLT and RAC review the effectiveness of our structure of internal control with INE involvement in this review	See Risk management, Quality and Internal control , especially subsection AFGC internal control review
	The SLT and RAC review the financial statements and this Transparency Report	This has been completed
	At least annually a formal assessment of the firm's principal risks including those impacting its business model, future performance, solvency and liquidity is completed by the SLT	See Appendix C – Firm's principal risks
INEs and ANEs	There should be at least three INEs who maintain their independence throughout their appointment	Our three INEs throughout the year were Imogen Joss, Deena Mattar and Paula Dillon
	The firm should have a nomination committee including INE involvement	This is in place and includes INE involvement. See Leadership and Governance , especially subsection Nominations Committee
	The Ethics Partner should have direct access to the INEs	The Ethics Partner attends each PIC meeting and has direct access to them at any time

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Appendix C

Firm’s principal risks

For the year ended 31 December 2024, the principal risks that the SLT considered could most significantly threaten the firm’s ability to achieve its strategy – including those that would threaten its business model; future performance, solvency or liquidity; and specifically impact the sustainability of the audit practice – are shown below.

The risks do not reflect any impact of the strategic investment by private equity firm Cinven however it is not anticipated that this will significantly impact the firm’s risk profile.

The trend indicator depicts the trend of our residual risk rating internally over the course of the year.


Key







 Decreasing risk







 Increasing risk

 No change

 New risk

Risk	Landscape	Trending	Mitigating activities
Attracting and retaining talent			
Inability to attract, develop, support and retain high-quality talent, including partners, could impact our ability to respond to current and future client needs.	<ul style="list-style-type: none">low rates of attrition reflecting market conditionstalent shortage in the UK market of qualified professionals further compounded by the unattractiveness of the professionevolving expectations of employees, for example, around ESG mattersincreasing use of global delivery models and the need to manage culture differenceschanging client and internal business needs necessitating different talent skill setsgovernment updates to immigration rules and changing employment law landscape.	2024 	<ul style="list-style-type: none">regular people engagement and leadership communications ensure our people remain connectedpulse surveys to understand how our people are feelingcompelling People Deal brings together our employee offering and underpins our people’s experience‘how we work’ framework to support employees in adopting our hybrid working model effectivelyregular benchmarking of reward and benefitsreboot of our values which lay the groundwork for our culture, and influence all aspects of our operations and interactionsfocus on a high-performing culture – with new performance ratings providing additional clarity that drives retention, reward and progression – and improved capability processes to support our peopletechnical, leadership and commercial learning programmes and a focus on coaching to support the career development of our partners and employeesrobust talent strategy systems and processes including succession planninghealth hub provides comprehensive resources to support all aspects of people’s wellbeing with a network of health champions and mental health first aiders to promote and signpost supportdiversified central resourcing model including our agile talent solution and utilisation of global network resources.
Specifically: <ul style="list-style-type: none">our people do not feel connected with our purpose or culturefailure to offer attractive and flexible working arrangementsinability to recruit high-quality diverse people with the right skillsa lack of career progression and personal development opportunitiesinadequate succession planningfailure to identify and offer appropriate support to staff or partners who may be suffering from stressful situations.		2023 	
		2022 	

Risk	Landscape	Trending	Mitigating activities
Changing environment and unplanned events			
<p>We do not identify and react appropriately or quickly enough in response to changing external conditions and the requirements of our clients.</p> <p>Specifically:</p> <ul style="list-style-type: none">economic and geopolitical conditions, socioeconomic and environmental issues, competitive landscape or regulatory changewe do not meet existing or future clients' changing requirements – for example, support with ESG or digital mattersunplanned disruptive events which could pose a significant threat to the firm's business and its ability to operate.	<ul style="list-style-type: none">economic conditions remain challenging and continue to create uncertainty for businessongoing geopolitical tension and conflict causing cost of living challenges, labour shortages and supply chain disruptiondigital disruption creating fundamental changes in expectations, behaviours, processes and market dynamicschanging competitive landscape and disruption including market consolidation and changing funding modelsa responsibility to meaningfully contribute to progress on I&D and environmental matters, and meet market need and demands.	2024 	<ul style="list-style-type: none">bi-monthly survey of UK mid-market businesses building insight on specific issues, challenges or milestones facing our marketSMEs in our Public Services Advisory and Economic Consulting teams provide political and economic insightscompetitor trend analysisfirmwide dashboards enabling continuous monitoring of business and financial performancea strategy aligned with our external environment providing sufficient flexibility for growth in challenging market conditionsongoing active engagement with key stakeholders (including regulators, industry groups and professional institutes) to identify and influence change, and inform and monitor our responsefirmwide risk management framework and forward-looking annual horizon-scanning processholistic approach to resilience planning and validation including business continuity, IS Service Management and crisis management processes across all areas of the firm's activities including Client and Business activity, Technology, Third Parties, Property and Physical Security.
		2023 	
		2022 	
Climate			
<p>Failure to tackle climate-related risks and opportunities as a firm, and deliver the business strategies and infrastructure we need to transition to Net Zero.</p> <p>Specifically:</p> <ul style="list-style-type: none">we do not minimise the environmental impact of our own business causing potential brand or reputational damage and impacting our ability to attract and retain talentwe do not make required disclosures, or we make incorrect disclosures or reporting in relation to climate matterswe work with clients and other third parties with poor environmental credentials which could damage our reputationwe fail to develop new products and services to support clients as they transition towards a low-carbon economyextreme weather events and changing climate conditions impact our or our key suppliers' ability to operate, including our teams in non-UK locations.	<ul style="list-style-type: none">climate change is front of mind for regulators and standard setters, with consultations ongoing and additional reporting standards expected soonincreasing stakeholder pressure on businesses (driven by investor engagement and public sentiment) continues to be a determining factor in who will do business with usincreasing expectations from prospective employees and our people to ensure we are serious about mitigating our collective environmental impact.	2024 	<ul style="list-style-type: none">we comply with SECR (Streamlined Energy and Carbon Reporting) and ESOS (Energy Savings Opportunity Scheme), report to CDP (formerly the Carbon Disclosure Project) and are ISO 14001 accreditedwe have set science-based targets verified and published by the Science Based Targets Initiative (SBTi)climate-related financial disclosures based on the Task Force on Climate-Related Financial Disclosures (TCFD) frameworkembedding climate across elements of business strategy as part of our wider ESG strategy to reduce our impact on the environment by reaching net zero without carbon offsetting or greenwashingenvironmental working group in place to review plans and monitor progress reporting directly to the SLTwe have established a multidisciplinary ESG Centre of Excellence to develop and deliver our ESG propositionscarbon dashboards provide transparent data on emissions across scopes 1, 2 and 3 to meet disclosure requirements and measure progress on targetsprocurement policy and Third Party code of conduct consider environmental impacts of the supply chainholistic approach to resilience planning and validation including emergency management and business continuity planning across all locations and areas of the firm's activities to respond to physical climate risks.
		2023 	
		2022 	

Risk	Landscape	Trending	Mitigating activities
Digital, data and technology strategy			
Our ability to deliver technological change, evolve our data strategy and deliver digital transformation, including the necessary cultural shift, could impact our ability to remain competitive and create value for our clients, people and our business.	<ul style="list-style-type: none"> fast-evolving digital transformation landscape influencing client expectations and the cost of providing service potential disruption and risk exposure due to the speed at which generative AI is being deployed and the growing use of GenAI tools throughout the business increasing expectations for data insights to inform business decision making ethical use of data is essential with new legislation anticipated to lead to heightened regulatory scrutiny technology infrastructure implications as a result of current changes within our property portfolio. 	2024  2023  2022 	<ul style="list-style-type: none"> transformational change programme to deliver an integrated Digital strategy which will create value for our clients, our people and our business Digital Leadership Group and Technology Leadership Group facilitate and coordinate digital efforts across the firm (internal use and with clients) dedicated specialist digital teams support service lines to evolve their products and services in line with changing client needs and to develop digital solutions to improve quality and maximise value New Initiatives policy, development strategy and framework defines the mechanism for and supports innovation throughout the firm AI and machine learning policy formalises usage guidance to ensure the appropriate and safe use of AI tools Data Governance Board ensures that our data is managed as a strategic asset and data decisions are not made in isolation to other strategic implementations data protection and ethical impact assessments to ensure data is handled in accordance with privacy laws and ethical best practice annual Data Maturity Assessment tracks progress and informs the firm's data strategy including governance over the adoption of new AI use cases.
Financial planning and liquidity			
Insufficient liquidity to fund working capital requirements or a significant financial issue without the time in which to address it.	<ul style="list-style-type: none"> continued economic uncertainty making it inherently harder to forecast and adequately plan so that we manage profits and working capital continued growth in the firm increasing working capital requirements potential for a change in mix of business with a switch from deal-driven to distress-driven activity impacting the average working capital cycle external factors in the banking market, such as capital loan availability and pricing increases economic instability creating increased risk of debtor default the need to continually invest in talent, technology and infrastructure to grow sustainably. 	2024  2023  2022 	<ul style="list-style-type: none"> annual budgeting process in place with the SLT and Partnership Governance Board review and approval COO review and SLT sign-off of assumptions underpinning financial planning continued focus on managing overheads and central costs stringent financial controls in place across the firm rolling quarterly forecasting aligned with strategic workforce planning and reviewed and approved by the SLT monthly management account reporting at whole firm and service line level with visibility on working capital including impact on funding requirement and balance sheet position short-, medium- and long-term cashflow and debt/covenant forecasting cashflow sensitivity modelling to consider the impact of inflation and interest rates, as well as changes to budget assumptions on the base cashflow relationship management or engagement plans with both current and potential future bankers monitoring of section 75 debt position and funding plan in place to reduce pension shortfall. Ongoing and close monitoring of the pension fund position with the Trustees and other stakeholders budgets embedded in the business at a strategic and operational level providing greater visibility of commercial plans and increased forecasting accuracy

Risk	Landscape	Trending	Mitigating activities
Inclusion and diversity Failure to achieve a level of diversity in our partner and people group to meet our people's, clients' and the market's expectations, and failure to create an inclusive culture where diverse talent can thrive, develop and grow. Specifically: <ul style="list-style-type: none"> • failure to develop a pipeline of diverse talent across all areas of diversity • we fail to create an inclusive culture across our firm because of varying beliefs and views • a difference between what we say and our people's lived experience creating reputational and brand risk. 	<ul style="list-style-type: none"> • diversity of workforce and an inclusive working environment is increasingly high on the agenda of our people, our clients and other stakeholders, and is a priority for all large firms • lack of diverse candidates across the industry and competitive market, particularly at senior levels impacts our ability to attract and retain diverse talent • media coverage and debate on global I&D issues can influence people's sense of belonging and fairness. 	2024	<ul style="list-style-type: none"> • CEO-led I&D strategy with SLT sponsors for each strand of diversity and incorporated into SLT goals • the People Voice Group works with the SLT to ensure diverse perspectives are heard across geographies and service lines • convenors for each of the firm's five diversity strands (Gender, LGBTQIA+, Ethnicity and cultural heritage, Disability, Medical conditions and mental health, and Social mobility), with dedicated resources to support delivery of action plans • network of Inclusion Allies work towards making everyday inclusion a reality • specific diverse talent programmes to empower future leaders, and comprehensive communication plans encouraging diverse and senior role models to share their backgrounds and stories • Change Agent programme and reverse mentoring for leaders aimed at fostering an inclusive culture • inclusive resourcing processes, practices and communications with interview training reflecting I&D matters • diversity targets and action plans in place at firmwide and service line level with regular reporting on progress • annual talent pipeline analysis provides an indication of the firm's ability to deliver its diversity targets based on existing talent • ongoing monitoring and review of inclusion and diversity data and the policies and processes that support how we work, to drive the required change towards ensuring fair and equitable opportunities for all employees • pulse surveys measure the experiences of diverse talent and identify areas of future focus • a confidential Public Interest Disclosure / Whistleblowing hotline available to employees, clients and members of the public.
		2023	
		2022	

Risk	Landscape	Trending	Mitigating activities
Information and cyber security			
<p>New threats or inadequate protection of the firm's personal and clients' confidential information (including electronic and hard copy documentation) could result in non-compliance with data protection or privacy laws, regulations and contractual requirements.</p> <p>This could be caused by:</p> <ul style="list-style-type: none"> failure to identify and manage potential cyber threats vulnerabilities as a result of reliance on the actions of our people inadequate or misaligned data strategy, governance, management and protection dependency on third-party technology providers to meet their contractual obligations around security and service levels. 	<ul style="list-style-type: none"> Ever-evolving and increasing cyber threats heightened by geopolitical conflict our overall threat landscape is changing with the introduction of new technology and digital solutions including AI, the transition to the cloud and the increased sharing of data by and with clients and third parties hybrid working and global delivery models place increased reliance on our technology infrastructure and greater security and data loss risk if not adequately maintained. 	<p>2024</p> <p>↔</p> <p>2023</p> <p>↔</p> <p>2022</p> <p>↔</p>	<ul style="list-style-type: none"> continuous focus on the maintenance of a robust, secure and resilient IT environment with policies, processes and controls to protect the firm's and clients' data, and service continuity plans for all business-critical IT services and applications ongoing investment in infrastructure, tools and software solutions to manage data security and the risk of data loss physical security controls ISO 27001 accreditation and Cyber Essentials Plus certification use of Security Operations Centre and threat intelligence services ISMS management team oversee strategic and operational management of information security within the firm cyber resilience and Incident Response procedures in place and tested ongoing activities with our people to promote awareness of cyber and data security, including employee e-learning, regular communications about threats and quarterly phishing exercises implementation of a third-party risk management platform to enhance governance over the security of IS suppliers collaborative approach with GTIL and major GTIL member firms to ongoing Information Systems infrastructure development and strategy. global cyber security compliance review assessed against NIST cyber security framework Data Office function is responsible for data strategy and data governance and compliance, including data loss prevention data protection team develop and maintain the necessary data protection and privacy policies and procedures including breach management processes.
International network			
<p>Being part of an international network poses risks which may prevent Grant Thornton UK LLP serving its international clients and winning global projects or could cause reputational damage.</p> <p>Specifically:</p> <ul style="list-style-type: none"> international network capability or availability of talent contagion due to reputational issue elsewhere in the GTIL network loss of or failure of GTIL/significant member firm in the network disruptive change in the network, eg, regulatory or structure variety of ownership models impacting our ability to manage conflict and regulatory adherence. 	<ul style="list-style-type: none"> increased importance of international work to the firm's growth plans as clients demand truly global firms to deliver their needs direct investments and strengthening strategic collaboration with other GTIL member firms global talent shortage impacting resourcing within the global network with increased international resource augmentation varied levels of maturity of firms in the network geopolitical tensions and conflict changing landscape of professional services networks with consolidation of structures as the second largest member firm in the GTIL network, we have an important role to play in the network's development. 	<p>2024</p> <p>↑</p> <p>2023</p> <p>☆</p>	<ul style="list-style-type: none"> significant UK involvement and influence in GTIL strategy and governance with UK representation on global committees an active role in strengthening and contributing to the global network through direct investments in overseas operations, strategic collaborations and cooperation with other member firms to establish market-leading overseas practices proactive management of overseas investments and operations which are regularly reported to the Investment Committee (PGB subcommittee) dedicated international strategy helping our clients achieve their ambitions across four key geographic areas network of International Business Centres (IBCs) to coordinate international work and to manage and enhance international business and relationships network risk policies and protocols and member firm obligations with monitoring by GTIL to ensure firms meet quality and other expectations GTIL Cross-Border Assignments policy governs all client engagements between member firms.

Risk	Landscape	Trending	Mitigating activities
Material breach of regulation or legislation Breaches of legislation or regulation could pose a significant financial and reputational risk to the firm. This could be caused by: <ul style="list-style-type: none"> • taking on inappropriate work, clients or third parties, resulting in legal or regulatory breaches or conflicts • not understanding or responding to changes in regulation and legislation including sanction regimes • insufficiently skilled or resourced specialist compliance teams • failure to respond appropriately or robustly to regulatory investigations or sanctions • employees or Partners working outside of internal policies and procedures • third parties acting beyond contractually agreed parameters. 	<ul style="list-style-type: none"> • regulatory environment is ever-changing and increasingly complex, requiring recruitment and retention of appropriately skilled compliance specialists, and increased monitoring and reporting to ensure the firm is compliant • continually evolving financial and trade sanctions environment increasing the volume of monitoring and reporting • activities in certain countries may increase risk exposure relating to financial crime • risk of people working outside firm's policies and procedures is enhanced by increased remote or hybrid working, including global delivery models. 	2024	<ul style="list-style-type: none"> • firmwide Quality Components incorporate and provide clear direction on legal and regulatory requirements with annual self-certification by all our people as to their understanding of and responsibilities for key ethical, regulatory and quality procedures • ethics team provides support and guidance on ethics and independence issues • centralised global independence systems with monitoring of compliance by the Personal Independence Inspection Unit • Financial Crime Team, led by the Money Laundering Reporting Officer (MLRO) and overseen by the Financial Crime Risk Oversight Committee, to ensure effective management of financial crime risks • annual mandatory training plan and monitoring to ensure full understanding of our regulatory and quality commitments • rigorous client take-on and continuance processes including relationship checks, risk-based client due diligence (CDD) and ongoing monitoring, with investment in resource, systems and enhanced reporting to strengthen the CDD process • mandatory third-party due diligence procedures and monitoring to ensure we only engage acceptable suppliers and other third parties • Suspicious Activity Reporting (SAR) and whistleblowing procedures in place • engagement with regulators, institutes and governmental bodies to understand and play our part in the development of the industry • management of firmwide regulatory obligations and GTIL firm requirements by the Regulation team with oversight by the Regulation Oversight Committee.
		2023	
		2022	

Risk	Landscape	Trending	Mitigating activities
Quality of work (audit and non-audit)			
<p>Providing poor-quality advice or giving incorrect opinions could lead to claims and regulatory action or loss of clients due to reputational damage.</p> <p>This could be caused by:</p> <ul style="list-style-type: none"> • failure to manage the quality of evolving service offerings and methods of delivery • not using the right team with the right skills, knowledge and experience • poor-quality culture • inconsistent or ineffective tools and methodologies • taking on inappropriate work or clients which increases the risk of not meeting quality requirements • inappropriate contractual terms lead to client expectation issues • inconsistent quality of work or depth of expertise in offerings across the international network • stressful working conditions as result of not managing wellbeing risks. 	<ul style="list-style-type: none"> • public scrutiny of the audit profession continues to influence this risk • our investment in audit quality continues to deliver improvements resulting in continued high quality scores in regulatory inspections • continuing changes in the risks associated with the delivery of audit work including changes in reporting, the activities of the entities we audit and how we deliver our audits • changing nature of non-audit services we deliver, their complexity and the way we deliver them, particularly involving technology • continued competitive talent market in key skills as well as pressures on the audit profession which could impact our ability to deliver the best quality. 	<p>2024</p> <p>2023</p> <p>2022</p>	<ul style="list-style-type: none"> • rigorous firmwide quality components include: <ul style="list-style-type: none"> – leadership and governance structures to drive quality and set tone at the top and rigorous client take-on process – a ‘Speak Up’ culture – continuous learning and development – assignment delivery standards supported by procedures, methodologies and review processes – ethical and other professional standards • service line Quality and Risk Management teams and Office of the General Counsel support robust client and engagement take-on processes and contracting protocols • recruitment of high-quality diverse individuals including overseas resource augmentation, particularly in audit through continued expansion of our overseas offices • extensive training programmes administered through our Learning Hub and regular service line technical updates supplemented by dedicated technical support • annual self-certification and Continuing Professional Development (CPD) returns by all our people • employee quality pulse surveys • performance reward systems incorporate individual quality gradings • New Initiative process includes consideration of quality issues for all changes to the way we work with clients, or how and what we deliver to clients • complaints or potential claims reporting procedures and maintenance of sufficient PI insurance. <p>Specifically in relation to Audit:</p> <ul style="list-style-type: none"> • Audit Quality Board chaired by INE provides independent oversight on all matters of audit quality and meets regularly with the PIC and the PGB • QMA and QME process which supports our compliance with ISQM 1, the AFGC and Audit regulations, and which covers all aspects of our audit and related services delivery • continued investment in an ongoing programme of audit quality including digital tools to support audit teams with leadership held to account via the Audit Quality Board.

Risk	Landscape	Trending	Mitigating activities
Reputational/brand damage			
Adverse or inaccurate media coverage directed at the firm causing damage to our brand and reputation, loss of client confidence and public trust.	<ul style="list-style-type: none"> continued public scrutiny of professional services firms with a focus on audit quality increasing societal expectations, for example surrounding ESG, means firms are watched and judged on what they say and do investment in audit quality continues to offset historical quality and reputational issues with continued high-quality scores in regulatory inspections increased media brand presence and speculation as a result of external investment activity contagion due to reputational issue elsewhere in the GTIL network. 	2024	<ul style="list-style-type: none"> our principle ethos of ‘doing what’s right, ahead of what’s easy’, business values and code of conduct drive the behaviors of our people continued programme of internal communications to inform and engage our people around the firm’s priorities and performance and to remind them of their obligations around compliance and confidentiality communications team protects and enhances the firm’s reputation and brand through external media and social channels and supports the SLT in the development of the firm’s corporate narrative societal issues communications strategy Beyond Compliance framework to ensure we are confident that the clients we act for and the services that we provide support our reputation firmwide ESG strategy to operate our firm in a responsible, sustainable and ethical manner and deliver our plan to achieve net zero. a confidential Public Interest Disclosure / Whistleblowing hotline available to employees, clients and members of the public Public Interest Committee, comprising the firm’s INEs, serves to enhance stakeholder confidence in the public interest aspects of the firm’s activities engagement with regulators, institutes and governmental bodies to play our part in the development of the industry and contribute to the debate on public interest issues.
This could be caused by:		2023	
<ul style="list-style-type: none"> client failure resulting in media scrutiny, public criticism and further regulatory focus failings in our people’s conduct or breaches of confidentiality working for an inappropriate client or taking on an unsuitable assignment failure to respond to societal expectations including social issues. 		2022	

Risk	Landscape	Trending	Mitigating activities
Sustainable growth			
<p>Our ability to develop and deliver a strategy that enables us to grow profitably and sustainably.</p> <p>Specifically:</p> <ul style="list-style-type: none"> ineffective strategic decision making and/or governance partners losing confidence in the firm's strategy or leadership we fail to invest in infrastructure, skills and resources that support future sustainable growth we do not have a structure or operating model that is agile and flexible enough to meet the needs of a multidisciplinary firm we do not generate a sustainable margin on the services we provide. 	<ul style="list-style-type: none"> firm is experiencing continued growth continued levels of market uncertainty in relation to the external environment and the need to be agile continued cost pressures. 	2024	<ul style="list-style-type: none"> Partnership Governance Board oversees development and delivery of the strategy by the SLT SLT focuses on continually reviewing strategic options and opportunities, and the best approach to providing sufficient flexibility for growth in response to increasingly challenging market conditions schedule of regular partner engagement including monthly calls, face-to-face all partner meetings (three times a year) and office roadshows provides opportunities for partners to provide feedback and influence firm matters and strategy coordination of individual Service Lines with the centre through the operations board to create sustainability for the firm as a whole agile central service support to strike the right balance between consistency and where our businesses need different things to succeed intentional decisions in our chosen markets to determine the best channel choice for the firm direct investments in overseas operations, strategic collaborations and cooperation with other GTIL member firms to establish market-leading overseas practices and future proof our organisation continued and sustained investment in our digital environment to maximise efficiencies investment in our property portfolio and creating office spaces that enable us to adapt to a longer-term hybrid working approach to work forward-looking approach to talent skill sets and resourcing including our Agile Talent Community and resource augmentation model ongoing repricing of our services to reflect market conditions and changing cost base.
		2023	
		2022	

Appendix D

Leadership and governance – attendance at meetings and length of service

Meeting attendance during 2024

Shown below are the membership and attendance (available to attend and did attend) at the various governance groups including changes in the year. Also detailed is the length of the individual's membership of the group as at 31 December 2024.

SLT – including attendance at other meetings

	Length of service	Could attend	Did attend	Attendance at other meetings				
				PGB	PIC	RAC	Remco	IC
Malcolm Gomersall	6 years 8 months	12	12	6	3	2	8	5
Darren Bear	5 years 4 months	12	11	6	-	3	6	5
Wendy Russell	Head of Audit from 1 April 2024	10	9	1	2	-	1	-
Fiona Baldwin	5 years 6 months	12	12	1	2	2	1	-
Hazel Platt	1 year 6 months	12	12	-	-	-	-	-
Mo Merali	2 years 0 months	12	12	-	-	-	-	1
Perry Burton	4 years 6 months	12	12	1	-	-	2	-
Robert Hannah	6 years 1 month	12	12	1	-	-	-	1

PGB

		Length of service	Could attend	Did attend
Imogen Joss	INE and Chair	7 years 6 months	6	6
Deena Mattar	INE	8 years 10 months	6	6
Paula Dillon	INE	2 year 8 months	6	4
Hemal Shah		4 years 6 months	6	6
Michael Frankish		4 years 6 months	6	6
Norman Armstrong		6 years 6 months	6	6
Paul Naylor		5 years 3 months	6	6
Philip Secrett		8 years 2 months	6	6
Sean Croston	to 30 June 2024	5 years 0 months	4	4
Andy Wood		0 years 6 months	2	2
Monique Beaulieu		0 years 6 months	2	2
Carolyn Hicks		0 years 6 months	2	2

PIC

		Could attend	Did attend
Imogen Joss	INE and Chair	3	3
Deena Mattar	INE	3	3
Paula Dillon	INE	3	2

RAC

		Could attend	Did attend
Deena Mattar	INE and Chair	5	5
Michael Frankish	From July 2024	2	2
Norman Armstrong		3	3
Paul Naylor		5	5
Sean Croston		3	3
Philip Secrett		5	5
Andy Wood	From July 2024	2	2

Remco

		Could attend	Did attend
Deena Mattar	INE	8	7
Paula Dillon	INE and Chair	8	6
Imogen Joss	INE	8	6
Michael Frankish		8	8
Norman Armstrong		8	8
Hemal Shah		8	8
Monique Beaulieu		3	3

Introductions

Appendices

Investment Committee

		Could attend	Did attend
Philip Secrett	Chair	5	5
Imogen Joss	INE	5	5
Sean Croston	Until June 2024	3	3
Hemal Shah		5	5
Monique Beaulieu	From July 2024	2	2

AQB

		Could attend	Did attend
Philip Johnson	Independent Chair until 31 January 2024	1	1
Faried Chopdat	Independent Chair from 1 February 2024	9	9
Fiona Baldwin	Head of Audit until 1 April 2024	3	3
Wendy Russell	Head of Audit from 1 April 2024	7	7
Christopher Smith		9	8
Donna Steel		9	8
Marc Summers	Until 1 May 2025	4	4
Rhian Owen		9	8
Sam Pointon		9	8
Sarah Ironmonger		9	8
Paul Viljoen	From 1 May 2024	5	5
Andrew Hodgkins	From 1 September 2024	3	3
Barrie Morris	From 1 September 2024	3	3

Appendix E

Leadership and governance – biographies and changes

The following are the members and permanent observers of our leadership and governance groups at 31 December 2024.

The primary governance group to which the individual is a member is shown in brackets. All the members of our governance groups are partners except for:

- **Deena Mattar** – INE
- **Imogen Joss** – INE
- **Paula Dillon** – INE
- **Philip Johnson** – Independent Chair of the AQB until 31 January 2024
- **Faried Chopdat** – Independent Chair of the AQB from 1 February 2024.

The changes in the year are:

- **David Duncley** – retired as CEO on 19 January 2024
- **Malcolm Gomersall** – appointed as CEO effective 19 January 2024
- **Darren Bear** – appointed as COO effective 19 January 2024
- **Mo Merali** – appointed as Head of Advisory effective 19 January 2024

- **Robert Hannah** – appointed as Head of Industries effective 19 January 2024
- **Perry Burton** – appointed as Head of Partner Development and Engagement effective 19 January 2024
- **Fiona Baldwin** – appointed as Head of People and Brand effective 19 January 2024
- **Wendy Russell** – appointed as Head of Audit effective 1 April 2024
- **Sean Croston** – ceased membership of the PGB on 30 June 2024
- **Andy Wood** – appointed to the PGB on 1 July 2024
- **Carolyn Hicks** – appointed to the PGB on 1 July 2024
- **Monique Beaulieu** – appointed to the PGB on 1 July 2024
- **Barrie Morris** – appointed to the AQB on 1 September 2024
- **Andy Hodgekins** – appointed to the AQB on 1 September 2024
- **Paul Viljoen** – appointed to the AQB on 1 May 2024
- **Marc Summers** – ceased membership of the AQB on 1 May 2024.





Andy Hodgekins

AQB

Andy joined the Cambridge office as an audit partner in 2020. He has over 20 years' experience of auditing listed and large privately owned businesses across a number of sectors, including technology, life sciences, manufacturing and retail. He also has experience of AIM and main market IPOs. He joined the AQB in September 2024.



Barrie Morris

AQB

Barrie is an experienced audit partner who specialises in public sector audit in the UK. In addition to leading the public sector audit team in the South, Barrie leads our relationship with the FRC and ICAEW on their reviews of public sector audit files. He joined the AQB in autumn 2024.



Andy Wood

PGB

Andy is an experienced audit partner of more than 20 years and has been with the firm for over 30 years. During that time, he has held several leadership roles across our regional practice and worked primarily in London and Yorkshire. His experience as an audit partner is principally working with mid-market businesses across a variety of sectors, with a focus on private equity and global organisations. In 2023, Andy transitioned out of the Ethics Partner role, having successfully led the firm out of a three-year period of non-financial measures with the FRC, and relocated from Yorkshire to the Thames Valley to help drive the firm's growth in the South.



Carolyn Hicks

PGB

Carolyn is an experienced Consulting Partner, specialising in business transformation and people advisory. Carolyn has over 25 years' experience of Transformations, typically underpinned by tech, operating model or regulatory change across the consumer, retail, healthcare and financial service sectors. Carolyn spent 10 years in industry before moving into consulting, where she has spent the last c.16 years. She is a human-centred Transformation expert, who is passionate about the Future of Work, with a real focus on people and purpose.



Chris Smith

AQB

Chris is an experienced audit partner and has over 20 years specialising in listed and large corporate audits, both in the UK and internationally. Chris oversees our audit and accounting technical function NAS, which is an integral part of improving quality throughout our audit practice.



Donna Steele

AQB

Donna is based in our Sheffield office and is the audit quality lead for the Yorkshire region. She joined us in 1999 as a graduate trainee and became a partner in May 2020. Donna has experience of auditing owner-managed and listed, domestic and international businesses.



Darren Bear

SLT

Darren was appointed Chief Operating Officer in 2024 and has been a partner since 2011. He was appointed to the SLT in 2019, where he led Deals and Business Consulting and Insolvency, Forensics and Restructuring. Prior to this, he spent over 20 years specialising in Corporate Finance.



Faried Chopdat

AQB (Chair)

Faried is an accomplished business leader and qualified chartered accountant with a finance, audit, risk management, strategic business transformation and change background. His 30 years of hands-on global experience in multinational organisations, such as SABMiller plc, Travelex and Deloitte, have enabled him to engage with diverse cultures across 60 countries. He has transitioned to a multifaceted portfolio career, including being a non-executive director on multiple boards, holding roles such as Deputy Chair of the board of the Great Western Hospital Foundation Trust and trustee on Blossom CIC. Faried is a consultant advising on cultural advancement, inclusion and belonging, and a dedicated business coach and mentor for professionals and entrepreneurs.



Deena Mattar

PGB – Independent Non-Executive

Deena is an experienced FTSE 250 CFO and a Fellow of the ICAEW. She has strong plc board experience and considerable non-executive experience having served as a non-executive and audit committee Chair for over 12 years on the boards of a number of listed and large private businesses, including Invensys PLC, RM plc and Wates Group. Deena brings her extensive experience in restructuring, refinancing and strategic planning, as well as governance and oversight, to the PGB.



Fiona Baldwin

SLT

Fiona was appointed to the SLT as Head of People, Brand, and (later in 2024 this then included) Central Services in January 2024. Prior to this, she held the position of Head of Audit on the SLT since June 2019. Fiona's position is a full-time leadership role, with a focus on ensuring we have a market-leading employer brand to attract and retain high-quality talent, a strong brand in the marketplace driving growth and a central services team providing optimum services to our fee-earning teams enabling them to deliver high-quality services in as efficient way as possible across the UK and all jurisdictions where we have a financial interest.



Giles Mullins

SLT

Giles was appointed as an SLT member in 2025 with responsibility for leading our Advisory Core business. Prior to that he was an audit partner until 2021 and subsequently led the Financial Accounting Advisory Services practice. As an experienced financial reporting practitioner he was appointed as a member of the UK Endorsement Board, the government body that endorses the use of IFRS by UK corporates.



Hazel Platt

SLT

Hazel is based in our Cambridge office and has been a tax partner for 10 years. As well as leading the Grant Thornton tax business nationally, she has a client-facing role working with a variety of organisations and their stakeholders to help them effectively meet their tax obligations at each stage of their business life cycle. Her clients include mid-market, privately held and PE-backed businesses, AIM-listed companies, and inbound investors to the UK.



Hemal Shah

PGB

Hemal specialises in transaction advisory services and supports entrepreneurs, corporates, private equity and debt funders in executing successful transactions. Hemal has over 20 years' experience across buy-side, sell-side, refinancing and public market transactions in the UK and many overseas markets. He started his career with Grant Thornton Kenya in 1998 and moved to the UK in 1999. Hemal is focused on technology, media, consumer and telecoms (TMT) deals and is recognised by clients and their advisers for his practical and commercial advice on issues that inevitably arise on transactions.



Imogen Joss

PGB – Independent Non-Executive

Imogen brings her global experience to the firm from her 30-year career in the fintech sector. She currently serves on the boards of Fintel plc, where she is SID and Chair of Remuneration, SThree plc (NED), Chair of Envetec Ltd (NED), SID and Chair of XPS Pensions plc (NED). Her specialisms are remuneration, ESG, people and client focus as well as bringing to bear her commercial background.



Keely Woodley

SLT

Keely has been with Grant Thornton for almost 20 years and leads the Grant Thornton's UK M&A practice, having joined from 3i Group Plc in 2005. She most recently led the firm's human capital and business support services M&A practice in London. Keely has a particular focus on the recruitment, education and skills sectors and specialises in advising private equity, large corporates and founder led businesses in these areas. Her focus is on expanding the already 140 strong sector focused M&A team and building on the firm's significant presence in the UK and internationally. She is passionate about working with investors and entrepreneurial businesses.



Malcolm Gomersall

CEO

Malcolm became our CEO in January 2024. His focus is on delivering value for all of the firm's stakeholders, including its people, clients, regulators and stakeholders. He was our full-time COO from 2019 until he became CEO. Prior to his current role he served on the firm's SLT as both the Head of Operations and Head of People and Client Experience. He was an audit partner until 2018.



Marc Summers

AQB - until May 2024

Marc is a Business Support Services, Consumer and Technology auditor and transaction specialist. During his 28 years within professional services, Marc has worked across the audit and advisory business. He has experience of auditing, floating and financing international businesses, having led the retail and, more recently, the Business Support Services sector teams.



Michael Frankish

PGB

Michael is an audit partner having joined the firm as a partner eight years ago. He has over 28 years of audit and client experience. Michael is also the Practice Leader for our Northwest practice across all our service lines. He works with a range of clients across many sectors but now focuses primarily on PLCs and Public Interest Entity clients. Michael is now in his second term on the PGB, and also has governance experience outside of his role with the firm.



Mo Merali

SLT

Mo role during 2024 was Head of Advisory and has been a partner since 2001. He focuses on due diligence and deal execution support for buy-side and sell-side transactions for corporate acquirers and private equity houses and for equity capital market issuances. Mo was previously Chair of ICAEW's Corporate Finance Faculty Board, and is currently a member of ICAEW's Technical Strategy Board.



Monique Beaulieu

PGB

Monique is both a qualified tax adviser and lawyer. Monique worked in the legal profession for over 15 years and was a partner at an international law firm before joining the firm in 2015. She co-leads our Reward Advisory Services, with particular focus on employee ownership in the mid-market sector.



Norman Armstrong

PGB

Norman has worked in the profession for over 30 years and been an audit partner with the firm for the last 20. He leads our focus on private equity in audit, is Practice Leader for our Thames Valley and Southampton offices, and works across the South Region with a range of larger mid-market groups, many with international operations. Norman has formerly been an ICAEW District Society President (SOSCA), Practice Committee Member and been recognised for his work in governance roles outside the firm.



Paul Naylor

PGB

Paul is an audit partner based in the London office, having joined us in 1995. He focuses on the Technology, Media and Telecoms sector where he works with entrepreneurial businesses, mainly private equity backed or publicly listed. Prior to this, Paul was practice leader of our Cambridge office and has also spent three years working with Grant Thornton in Australia.



Paul Viljoen

AQB

Paul is the head of the firm's Quality Support Team, which is focused on supporting the firm's audits of public interest entities. He has experience of working at the UK's regulator of accountants and auditors, having particular expertise in inspection and enforcement activities, international standard-setting, ethics and independence. Paul also leads on policy and reputation matters for the firm through the PRG and ICAEW.



Paula Dillon

PGB - Independent Non-Executive

Paula brings considerable non-executive director experience, having trained in and practiced law, as well as holding board-level appointments at a variety of organisations. She was a highly qualified real estate development and investment lawyer who specialised in the sector for more than 30 years. Paula was the first female President of Leeds Chamber of Commerce. She also founded the Crypt Factor, raising over £500,000 for homeless charities. She is a qualified executive coach. Along with INE colleagues and the wider PGB, Paula supports the oversight of governance at the firm, helping to influence key decisions independently from the firm's executive leadership.



Perry Burton

SLT

Perry has 30 years of experience in practice as a leader, auditor and supporting corporate transactions through our corporate finance team. Perry has held several leadership roles before moving into his current role on the SLT. He has worked with boards on leadership and cultural change. He is a qualified coach and is passionate about understanding behaviour and behavioural change.



Philip Secrett

PGB

Philip is a corporate finance partner and is Head of Public Company Advisory. With 30 years' experience at Grant Thornton, he has been advising on public company corporate finance transactions for over 26 years and his experience has included supporting growth companies access to UK equity markets and leading public company M&A transactions. Philip is Chair of the AIM Advisory Group at the London Stock Exchange, a group that provides input and advice on all matters affecting the operation and regulation of AIM.



Rhian Owen

AQB

Rhian is an audit partner with responsibility for leading the audit practice in the Cardiff and Bristol office. Having been with us for 20 years, she has a wealth of experience helping dynamic businesses achieve their strategic goals and potential for growth. Her audits range from fast-growing, privately owned and PE-backed businesses to international groups.



Sarah Bell

SLT

Sarah is the Head of Industries and a member of the Strategic Leadership Team (as of 2025), responsible for advancing our Industries, Propositions, and Channels strategy. Previously Sarah oversaw the Risk and Regulatory Advisory businesses at Grant Thornton as well as overseeing the team dedicated to enhancing Grant Thornton's presence in the FTSE 350 market and authored Grant Thornton's annual Corporate Governance Review.



Robert Hannah

SLT

Robert started with the firm 35 years ago and has worked in audit, corporate finance and transaction advisory. He has been on the SLT since 2011 holding various roles. His current role is as Head of Industries where his focus is to drive greater collaboration across the service lines by prioritising our focus on key industries, propositions and channels to market.



Sarah Ironmonger

AQB

Sarah is our Public Sector Audit partner in the North where she leads the team to deliver local government and NHS audits across Merseyside, Cheshire, Greater Manchester, Lancashire, Cumbria and parts of Yorkshire. Prior to taking up this role in 2022, Sarah has delivered audits within the London and Southeast Public Sector team since joining the firm in 2012.



Sam Pointon

AQB

Sam is a financial services specialist. He has over 25 years' professional services experience with over 20 years in the financial services sector. His experience includes asset management, securities traders and brokers, insurance and lending business. He has experience of a range of the firm's clients from business start-ups to international groups and listed companies.



Sean Croston

PGB – until June 2024

Sean leads the Corporate Simplification Group in London and has been a licensed insolvency practitioner for more than 25 years. Sean has spent a large part of his career advising on large and complex group restructurings and has worked in several overseas jurisdictions including Asia, Germany and the United States. Sean has a number of risk and management roles within the firm, including responsibility for the Case Management Unit and the Quality and Risk Team for the insolvency and restructuring business. Sean is also a member of the Finance and Risk Committee of the Insolvency Practitioners Association.



Wendy Russell

SLT

Wendy joined Grant Thornton in 2018 having previously spent 18 years at a Big 4 firm. She has spent her career working in the Commercial Audit practice, having focused on listed, retail and technology businesses. She joined the firm's Audit Leadership team in 2020 and is currently the UK Head of Audit.

Appendix F

FRC Pilot Audit Quality Indicators – effective during 2024

	Area	AQI description	Indicator
1	People/Culture survey results	Audit staff responses to certain annual people/culture survey questions.	Percentage of favourable and unfavourable responses to the survey questions
2	Internal quality review	Extent of review by firm's internal quality review teams.	RIs who have been reviewed internally, as a percentage of RIs who have signed an audit opinion in the 12-month period covered
3	Inspection results – internal	Results of internal inspections by the audit firm	Quality grading of audits internally reviewed (expressed as the percentage of number of audits reviewed during the period)
4	Inspection results – external	Results of external inspections of the audit firm	Percentage of audits inspected, by quality grading
5	Partners' and Responsible Individuals' involvement in audits	Extent of involvement in and/or supervision of audits by partners and partner-equivalents	Average hours spent on audits as a percentage of total audit hours by Responsible Individuals and partners
6	Staff / partners and Responsible Individuals ratio	Capacity of partners/Responsible Individuals to supervise junior audit staff in the firm, and the level of professional support for partners/Responsible Individuals	Average number of audit staff managed by a partner/Responsible Individual
7a	Staff workload	Number of hours worked per week, as a percentage of contracted hours	Average hours worked by staff, by group of grades in the audit practice, on a weekly basis, as a percentage of weekly contracted hours
7b	Staff workload for busy period (January to March)	Number of hours worked per week, as a percentage of contracted hours, for busy period	Average hours worked by group of grades in the audit practice, for busy period (January - March), as a percentage of weekly contracted hours
8	Staff attrition	The rate at which staff leave the firm's audit practice	Average staff attrition rates by group of grades in the audit practice
9	Training	To demonstrate the level of investment in training offered to partners and staff	Average number of planned mandatory training hours per person, and percentage of completion rates, by group of grades
10	Diversity	Gender and ethnic diversity of the firm's audit partnership	Percentage of individuals in the audit partnership, by gender and ethnicity

Appendices

Appendix G

Legal structure including Grant Thornton International Limited (GTIL)

Grant Thornton UK LLP (OC 307742) is a limited liability partnership incorporated in England and Wales and is part of GTIL (the network).

Grant Thornton UK

We are a leading provider of financial and business advisory services and we are entirely owned by our members (normally referred to as partners).

Note not all our partners are members as the term is also used to represent some of our most senior employees. We have 21 offices in the UK plus two overseas offices, in the British Virgin Islands and Cayman Islands. A full list of our office locations and services can found on our website.

During 2024 the average number of partners was 212 (2023: 225). A full list of partners is available at our registered office: 30 Finsbury Square, London, EC2A 1AG.

	At 31/12/24	At 31/12/23
Number of engagement Responsible Individuals partners/directors in audit	51/59	51/50
Number of engagement leaders partners/ directors in audit	56/85	57/74
Number of engagement leaders in audit to total number of people in audit	141/2,195	131/2,265
Ratio of engagement leaders to people	6.42%	5.80%

Audit

Delivers statutory and voluntary statutory audits, non-statutory audits including compilation reports, outsourced accounting, financial reporting advice, public sector audit and assurance. We perform audits across many sectors including a considerable number of public sector and Not for Profit organisations/charities. In addition, our clients also include FTSE 350, AIM-listed, PE-backed as well as privately owned businesses.

Deals and business consulting

Provides services to clients that are event-driven, often transactional or financing in nature, and when they are undergoing periods of change. The key focus is to support management and other stakeholders to realise and preserve value through helping clients to exit, acquire, raise equity and debt capital or undertake change. The services we provide include, Business Consulting, Corporate Finance Advisory, Transaction Advisory Services, Valuation and Modelling and Financial Accounting Advisory Services.

Insolvency, forensics and restructuring

Our teams work with clients through some of the most challenging situations, providing a range of connected services including:

- expert forensic and investigations support in advisory and insolvency and asset recovery, provided by our globally connected team
- restructuring support and advice working with lenders, investors and management.

Large corporate and government advisory

Our focus is primarily on supporting large, international, corporate clients and government bodies by providing consulting, advisory and assurance services to address their complex needs. We focus our services through our Financial Services Group, Public Sector Advisory, Economic Consulting and Business Risk teams. Our teams provide tailored advice and support across a range of areas including increasing focus on ESG and cyber risks.

Tax

Provides services across the spectrum of taxes to corporates, individuals, partnerships, Not for Profit organisations, charities and certain public sector bodies. Services cover Corporate and International, Personal, Indirect, Employment Tax, Reward Advisory, Global Mobility Solutions and Tax Dispute Resolution services. We help clients to manage their compliance obligations, tax risk and relief maximisation and we provide tax advisory services across all areas.

GTIL

GTIL is a private company limited by guarantee, incorporated in England and Wales. GTIL provides the international member network and does not provide any services to clients. The board of governors (the board) provides the principal and overriding authority for the network.

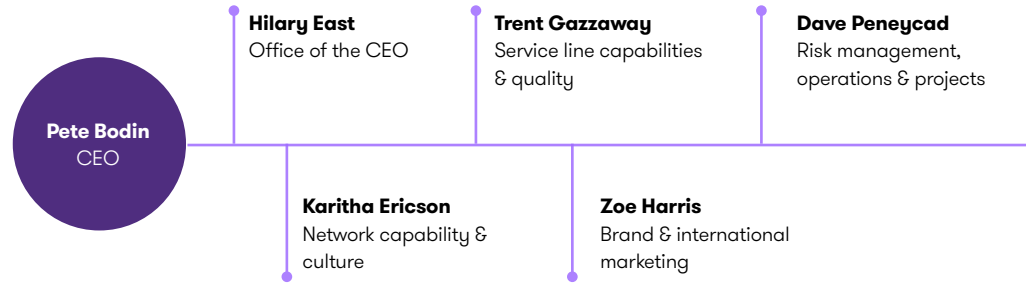
The board is the principal and overriding authority in GTIL, and it exercises governance over GTIL. The board comprises the Chair of the board (currently an independent governor); the CEO of GTIL; managing partners from the largest Grant Thornton member firms; managing partners elected or appointed from other Grant Thornton member firms that are not among the largest; and independent directors. The board aims for a reasonable balance of diversity and representation from different geographical areas, including emerging markets.

Independent board members

The role is to support the network's recognition of public interest responsibilities. The network's attitude towards quality, risk management and governance as well as assessing the networks effectiveness in executing its strategic goals and market position.

CEO

The CEO is appointed by the board for an initial term of up to five years, renewable once for a further period of up to three years. In 2017, the board appointed Peter Bodin, formally the CEO of the Swedish member firm, to be appointed GTIL CEO for a term of five years, as of 1 January 2018. The board re-appointed Peter for a second term of three years, as of 1 January 2023.



The role and responsibilities include:

- development and recommendation of strategic priorities for ratification by the board
- appointment of the global leadership team (GLT)
- working closely with the GLT in maintaining policies and procedures, including those governing international work for the assurance, tax and advisory service lines.

Global Leadership Team (GLT)

The GLT is a full-time management group that is chaired by the CEO, and develops and drives the implementation of the global strategy. The team have global development, service lines, functional and regional responsibilities.

A critical role of the GLT is to work with member firms to implement the global strategy. Our ambition is to be known throughout the world as the leading adviser to dynamic organisations through our Growing Together strategy.

We have considered any key risks of membership as part of our principal risks – see [Appendix C](#).

The GTIL network headcount 30 September 2024 was 75,891 (2023: 73,000) in 149 member firms across the globe with the latest reported revenue of USD 8.0 billion (Sept 2023: USD 7.5 billion).

We gain significant benefits from our membership of the GTIL network including: access to global methodology and audit tools; access to skills and resources who work to standard approaches across the global which particularly supports the delivery of audits to global entities; Global Independence Systems which help deliver compliance to relevant ethical standards. There a risk related to the GTIL network, those that have a significant impact are included in our principal risks in [Appendix C](#).

Legal entities

Grant Thornton UK LLP – Subsidiaries

Subsidiary name	Country of incorporation and principal place of business	Principal activity
Grant Thornton Acquisitions No. 2 Limited ¹	England	Intermediate holding company
Grant Thornton Agile Talent Solutions Limited	England	Provision of contractors to the Group
Grant Thornton ARF Limited ¹	England	Intermediate holding company
Grant Thornton Business Services	England	Provision of personnel to the Group and intermediate holding company
Grant Thornton KSA Holdco No.1 Limited	England	Intermediate holding company
Grant Thornton Limited	England	Intermediate holding company
Grant Thornton Services LLP	England	Provision of personnel to the Group
Fulwood Insurances Limited ¹	Guernsey	Insurance services to the Group
Grant Thornton (British Virgin Islands) Limited	British Virgin Islands	Insolvency and restructuring services
GT (BVI) Corporate Director No. 1 Ltd	British Virgin Islands	Insolvency and restructuring services
GT (BVI) Corporate Director No. 2 Ltd	British Virgin Islands	Insolvency and restructuring services
Grant Thornton Specialist Services (Cayman) Limited	Cayman Islands	Insolvency and restructuring services
GTSS Corporate Director No. 1 Ltd	Cayman Islands	Insolvency and restructuring services
GTSS Corporate Director No. 2 Ltd	Cayman Islands	Insolvency and restructuring services
GTSS Corporate Director No. 3 Ltd	Cayman Islands	Insolvency and restructuring services
Grant Thornton Advisory Professional LLC	Saudi Arabia	Provision of Advisory services
Corporate Director 1 (BVI) Limited	British Virgin Islands	Provision of insolvency and restructuring
Corporate Director 2 (BVI) Limited	British Virgin Islands	Provision of insolvency and restructuring
GTSS Advisory Limited	Cayman Islands	Provision of insolvency and restructuring
Grant Thornton UK Advisory & Tax LLP	England	Intermediate holding company
Grant Thornton Holdings (Cyprus) Limited ²	Cyprus	Intermediate holding company
Grant Thornton Advisory (Cyprus) Limited ²	Cyprus	Provision of advisory services
Grant Thornton (Cyprus) Limited ²	Cyprus	Provision of audit, tax and advisory services

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Subsidiary name	Country of incorporation and principal place of business	Principal activity
Grant Thornton (Cyprus) Cybersecurity Limited2	Cyprus	Provision of advisory services
Grant Thornton (Cyprus) Fiduciary Limited	Cyprus	Provision of advisory services
Grant Thornton Funds Services (Cyprus) Limited2	Cyprus	Provision of advisory services
Grant Thornton Blockchain (Cyprus) Limited2	Cyprus	Provision of advisory services
Grant Thornton Quantitative Risk (Cyprus) Limited2	Cyprus	Provision of advisory services
Grant Thornton (Cyprus) Sustainability Limited2	Cyprus	Provision of advisory services
K. Parpounas Sustainability Consultants Limited2	Cyprus	Provision of advisory services

Grant Thornton UK LLP – Joint venture

Name	Company number	Principal activities	Country of incorporation
Grant Thornton Singapore Holdco Limited	2009082	50% owned by Grant Thornton Limited	British Virgin Islands
Grant Thornton Ventures Limited	NI683389	50% owned by Grant Thornton Limited	Ireland

Member firms for EU and EEA

Country	Member Firm
Austria	Grant Thornton Austria GmbH
	Grant Thornton ALPEN-ADRIA Wirtschaftsprüfung GmbH
Belgium	Grant Thornton Bedrijfsrevisoren CV
Bulgaria	Grant Thornton OOD
Croatia	Grant Thornton revizija d.o.o.
Cyprus	Grant Thornton (Cyprus) Ltd
Czech Republic	Grant Thornton Audit s.r.o.
Denmark	Grant Thornton Godkendt Revisionspartnerselskab
Estonia	Grant Thornton Baltic OÜ
Finland	Revico Grant Thornton Oy
	Idman Vilen Grant Thornton Oy
	Advico Finland Oy

Country	Member Firm
France	Grant Thornton SAS
	AEG Finances Audi Expertise Gestion SAS
	IGEC SAS
	Tuillet Audit SAS
	Grant Thornton Audit SAS
	Carib Audit & Conseil
Germany	Grant Thornton AG
	WPG Wohnungswirtschaftliche Prüfungs- und Treuhand GmbH
	Trinavis GmbH & Co. KG
	WPG Wohnungswirtschaftliche Prüfungs- und Treuhand GmbH
Greece	Grant Thornton SA
Hungary	Grant Thornton Audit Kft.
Iceland	Grant Thornton endurskoðun ehf
Ireland	Grant Thornton
	Grant Thornton (NI) LLP
Italy	Ria Grant Thornton S.p.A.
Latvia	Grant Thornton Baltic Audit SIA
Liechtenstein	Grant Thornton AG, Schaan
Lithuania	Grant Thornton Baltic UAB
Luxembourg	Grant Thornton Audit & Assurance
Malta	Grant Thornton Malta
Netherlands	Grant Thornton Accountants en Adviseurs BV
Norway	Grant Thornton Revisjon AS
Poland	Grant Thornton Frqckowiak Sp. z o.o sp.k.
	Grant Thornton Polska Sp. z o.o. Sp.k
Portugal	Grant Thornton & Associados, SROC, Lda
Romania	Grant Thornton Audit SRL

Country	Member Firm
Slovak Republic	Grant Thornton Audit, s.r.o.
Slovenia	Grant Thornton Audit d.o.o.
Spain	Grant Thornton, S.L.P.
Sweden	Grant Thornton Sweden AB

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Appendix H

Financial information and partner details

Revenue

Detailed below is the analysis of our turnover for the year ended 31 December 2024 showing the relative importance of statutory audit work and the split of our other services between audit and non-audit clients.

Name	Year ended 31 December 2024		Year ended 31 December 2023	
	£ million	%	£ million	%
Public interest entities (UK)	6.7	1	6.3	1
Other entities (UK)	209.1	28	186.2	27
Statutory audit and related fees (UK)	215.8	28	192.5	28
Audit fees from Cyprus group	1.6	0	-	-
Non-audit work to audit clients (UK)	51.0	7	47.5	7
Sub-total audit clients (UK & Cyprus)	268.4	35	240.0	35
Non-audit work to non-audit clients (Group)	490.6	65	450.2	65
Total (Group)	759.0	100	690.2	100

Profitability

The Consultative Committee of Accountancy Bodies issued a Voluntary Code of Practice on Disclosures of Audit Profitability (the Audit Profitability Code) in March 2009. Under the code, revenue, direct costs and overheads for the reportable segment are recognised and measured on a basis consistent with our consolidated financial statements.

Revenue from audit services for this purpose includes any audit required by UK statute and required to be carried out in accordance with the ISAs (UK) along with other work that ‘fits naturally’ with the auditor’s statutory responsibilities.

Operating profit has been calculated after direct costs for example, employment costs and allocating overheads for example, property, technology and central overhead. Overheads are deducted based on pro rata headcount or turnover attributable to audit. Partner remuneration is excluded from Operating profit.

Derived from the financial statements	Year ended 31 December 2024	Year ended 31 December 2023
Revenue	215.8	192.5
Operating profit	23.0	18.5

Partner drawings

Partners receive drawings during the year. The firm operates a drawings policy based on a prudent estimate of profits. Partners receive a base level of reward and a profit allocation on a unit basis depending on their role and track record of performance. A further percentage of the profit pool each year is allocated to eligible Partners based on a balanced assessment of behavioral and operational metrics in the year. The aim of this is to link performance to quality, as well as the achievement of firm’s long-term goals. This assessment has a particular focus on ensuring quality is at the heart of everything we do.

Any behaviours inconsistent with our values and expected standards of behaviour, as set out in the Code of Conduct, can result in a reduction of profit shares.

CEO and SLT remuneration

The RemCo, a subcommittee of the PGB, is responsible for setting the basis and criteria against which the CEO is measured, including the setting of targets and assessment of actual achievements. It also approves the CEO’s allocation of profit-sharing units to other partners on the SLT.

Remuneration of audit personnel

Managers and above in Audit receive an annual quality grading which is shared on a Quality Dashboard, available on a real-time basis to all of our people. The gradings consider a range of quality criteria, including the results of both internal and external monitoring, quality-related feedback on their individual audit engagements, attendance at mandatory training, ethical matters and feedback on any technical roles that they perform. This feeds into an individual’s overall performance grading which, in turn, drives their level of annual remuneration.

For Partners and Directors who sign audit opinions, remuneration is largely based on the complexity, risk and quality of the work for which they are responsible, as well as their wider technical and leadership responsibilities. Partners and Directors also receive a quality rating which has a direct impact on their level of remuneration. Members of the audit practice, including audit partners are not remunerated by reference to sales of non-audit services to their audit clients.

NE remuneration

Our INEs are remunerated based on their roles:

	Year ended 31 December 2024	Year ended 31 December 2023
	£	£
Imogen Joss (INE)	185,000	150,000
Deena Mattar (INE)	85,000	75,000
Paula Dillon (INE)	85,000	75,000
Philip Johnson (ANE)	110,000	110,000
Faried Chopdat (ANE)	110,000	68,425

Appendix I

Public interest entities

Below is a list of UK-incorporated EU public interest entities (as defined in EU Directive 2014/56/EU) for which we signed an audit report during the year ended 31 December 2024. It therefore does not necessarily include all EU public interest entities for which we are appointed the statutory auditor.

Company name	Company number
Carr's Group PLC	00098221
City of London Investment Group plc	02685257
Computacenter plc	03110569
Coventry City Council	n/a
Croydon London Borough Council	n/a
Darktrace	13264637
Dialight Plc	02486024
HgCapital Trust plc	01525583
Invesco Perpetual Select Trust Plc	05916642
JD Wetherspoon plc	01709784
Liverpool City Council	n/a
Municipal Mutual Insurance Ltd	00076678
The Church Commissioners of England and Wales	Charity 1140097
The National Exhibition Centre (Developments) PLC	03301940
Warrington borough council	n/a
Wilmington Plc	03015847
Witan Investment Trust plc	00101625

Appendix J

Major local audits

Below is a list of Major Local Audits – as defined by The Local Audit (Professional Qualifications and Major Local Audit) Regulations 2014 – for which we signed an audit report during the year ended 31 December 2024. It therefore does not include all Major Local Audits for which we are appointed the statutory auditor.

Avon Pension Fund	Croydon Pension Fund	Wolverhampton City Council	Police and Crime Commissioner for Avon and Somerset
Barnsley Metropolitan Borough Council	Cumbria County Council	Worcestershire County Council	Police and Crime Commissioner for Devon and Cornwall
Bournemouth, Christchurch and Poole Council	Cumbria Pension Fund	Worcestershire Pension Fund	Police and Crime Commissioner for West Midlands
Brent London Borough Council	Devon County Council	Lancashire County Council	Rotherham Metropolitan Borough Council
Brent Pension Fund	Devon Pension Fund	Lancashire Pension Fund	Royal Borough of Greenwich
Brighton and Hove City Council	Doncaster Metropolitan Borough Council	Leeds City Council	Royal Borough of Kensington and Chelsea
Bristol City Council	Dudley Metropolitan Borough Council	Leicester City Council	Sandwell Metropolitan Borough Council
Buckinghamshire Council	East Sussex County Council	Leicestershire County Council	Shropshire Council
Buckinghamshire Pension Fund	East Sussex Pension Fund	Leicestershire Pension Fund	Shropshire Pension Fund
Cheshire Pension Fund	Gloucestershire CC Pension Fund	Lewisham Pension Fund	Solihull Metropolitan Borough Council
Cheshire West and Chester Council	Gloucestershire County Council	Liverpool City Council	Somerset County Council
Chief Constable for Avon and Somerset Police	Greenwich Pension Fund	London Borough of Hammersmith and Fulham	Somerset Pension Fund
Chief Constable for Devon and Cornwall Police	Hammersmith and Fulham Pension Fund	London Borough of Lewisham	South Gloucestershire Council
Chief Constable for Merseyside Police	Islington London Borough Council	London Borough of Sutton	Southwark Council
Chief Constable for West Midlands Police	Islington Pension Fund	London Pensions Fund Authority	Southwark Pension Fund
City of Westminster Council	Kensington and Chelsea Pension Fund	Mayor's Office for Policing and Crime	Surrey County Council
City of Westminster Pension Fund	Kent County Council	Medway Council	Surrey Pension Fund
Commissioner of Police of the Metropolis	Kent Pension Fund	Merseyside Pension Fund	Sutton Pension Fund
Cornwall Council	Kingston Upon Thames Pension Fund	North Northamptonshire Council	Swindon Borough Council
Cornwall Pension Fund	Kirklees Metropolitan Council	Northamptonshire Pension Fund	Walsall Metropolitan Borough Council
Coventry City Council	Warwickshire Pension Fund	Nottingham City Council	Warwickshire County Council
Croydon London Borough Council	West Midlands Combined Authority	Nottinghamshire County Council	
	West Midlands Pension Fund	Nottinghamshire Pension Fund	
	West Northamptonshire Council	Plymouth City Council	
	Wirral Metropolitan Borough Council		

NHS

East Sussex Healthcare NHS Trust
Epsom and St. Helier University Hospitals NHS Trust
Lewisham and Greenwich NHS Trust
Maidstone and Tunbridge Wells NHS Trust
NHS Bedfordshire, Luton, Milton Keynes Integrated Care Board
NHS Black Country Integrated Care Board
NHS Bristol, North Somerset and South Gloucestershire Integrated Care Board
NHS Bristol, North Somerset and South Gloucestershire CCG – part year
NHS Cheshire and Merseyside Integrated Care Board
NHS Cornwall and The Isles of Scilly Integrated Care Board
NHS Gloucestershire Integrated Care Board
NHS Greater Manchester Integrated Care Board
NHS Hampshire, Southampton and Isle of Wight CCG – part year
NHS Hampshire and Isle of Wight Integrated Care Board
NHS Kent and Medway Clinical Commissioning Group – part year
NHS Kent and Medway Integrated Care Board
NHS Leicester, Leicestershire and Rutland Integrated Care Board
NHS Manchester CCG – part year
NHS Northamptonshire Integrated Care Board
NHS Shropshire, Telford and Wrekin Integrated Care Board
NHS Somerset Integrated Care Board
NHS South East London Integrated Care Board
NHS South West London Clinical Commissioning Group – part year
NHS South West London Integrated Care Board
NHS Staffordshire and Stoke-on-Trent Integrated Care Board
North Bristol NHS Trust
Royal Cornwall Hospitals NHS Trust
Sandwell and West Birmingham Hospitals NHS Trust
St Helens and Knowsley Hospitals NHS Trust
University Hospital of North Midlands NHS Trust
University Hospitals Plymouth NHS Trust
Worcestershire Acute Hospitals NHS Trust

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Appendix K

Definitions and contacts

Advocacy threat

When the firm undertakes work that involves acting as an advocate for an entity relevant to an engagement and supporting a position taken by management in an adversarial or promotional context

AFGC

Audit Firm Governance Code

AI

Artificial Intelligence

ANE

Audit Non-Executive

AQB

Audit Quality Board of the firm

AQI

Audit Quality Indicator[s]

AQR

Audit Quality Review team of the FRC

CCS

Central Client Services

CEO

Chief Executive Officer

CIOT

Chartered Institute of Taxation

COO

Chief Operating Officer

Covered person*

A person in a position to influence the conduct or outcome of the engagement

CPAB

Canadian Public Accountability Board

CPD

Continuing Professional Development

CTOP

Central Take-on Panel

EEA

European Economic Area

Engagement leader/Partner*

The partner or other person in the firm who is responsible for the engagement and its performance and for the report that is issued on behalf of the firm

EQR

Engagement Quality Review*. An objective evaluation of the significant judgements made by the engagement team and the conclusions reached thereon, performed by the engagement quality reviewer and completed on or before the date of the engagement report

Ethical standard

Revised Ethical Standard 2019 issued by the FRC

EU

European Union

Familiarity threat

When the firm or a covered person predisposed to accept, or is insufficiently questioning of, the point of view of an entity relevant to the engagement. Such threats may arise, for example, where close personal relationships are developed with such an entity's personnel through long association with the entity

FCA

Financial Conduct Authority

FRC

Financial Reporting Council

GIS

Global Independence System

GLT

Global Leadership Team

G-TAR

Grant Thornton Assessment & Review

GTIL

Grant Thornton International Limited

H&S

Health and Safety

IAB

Inclusion Advisory Board

IAASB

International Auditing and Assurance Standards Board

ICAEW

Institute of Chartered Accountants in England and Wales

IESBA

International Ethics Standards Board for Accountants

IFIAR

International Forum of Independent Audit Regulators

INE

Independent Non-Executive

Intimidation threat*

An intimidation threat arises when the conduct of the firm or a covered person is influenced by fear or threats

IC

Investment Committee of the firm

IPA

Insolvency Practitioners Association

ISAs (UK)

International Standards on Auditing (UK) – Issued by the FRC

ISQM 1

International Standard on Quality Monitoring (UK) No 1

KAPs

‘Key Audit Partner’ is the individual registered with the ICAEW to sign audit reports for audits subject to the Local Audit and Accountability Act 2014

key audit partner

The statutory auditor of a particular audit engagement who signs the audit report. The statutory auditor of the group and the statutory auditor designated at the level of material subsidiaries

KPI

Key Performance Indicator

Local auditor

Audit firm registered under the Local Audit and Accountability Act 2014

Major Local Audit

An entity where either:

- a the higher of the relevant authority’s total income (from all sources) for that financial year and its total expenditure (from all sources) for that financial year exceeds £500 million
- b the relevant authority is required to maintain a pension fund under regulations under section 1 of the Public Service Pensions Act 2013(8) as

they relate to local government workers (within the meaning of that Act) and either:

(i) more than 20,000 members of a scheme established under those regulations, in relation to local government workers within the meaning of that Act, have rights relating to that fund, or

(ii) the fund has gross assets of £1,000 million or more

Management threat*

Where the firm provides non-audit/additional services and based on that work, management are required to make judgements and take decisions. The persons conducting the service may become closely aligned with the views and interests of management and this may erode the distinction between the entity and the firm, in turn, impairing or calling into question the ability of the persons conducting an engagement to apply a proper degree of professional scepticism

NAS

National Assurance Services

Other key partner

A partner, or other person in the engagement team (other than the engagement partner or engagement quality control reviewer) who either:

- a is involved at the group level and is responsible for key aspects of the engagement, including decisions or judgments on significant matters or risk factors that relate to the engagement for that entity
- b is primarily responsible for the engagement work in respect of a significant affiliate, division or function of the entity

PCAOB

Public Company Accounting Oversight Board (US regulator)

PIC

Public Interest Committee of the firm

PIE

Public Interest Entity – these are:

- An issuer whose transferable securities are admitted to trading on a UK regulated market
- A credit institution within the meaning of Article 4(1)(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council, which is a CRR firm within the meaning of Article 4(1)(2A) of that Regulation;
- A person who would be an insurance undertaking as defined in Article 2(1) of Council Directive 91/674/EEC of 19 December 1991 of the European Parliament and of the Council on the annual accounts and consolidated accounts of insurance undertaking as that Article had effect immediately before exit day, were the United Kingdom a Member State.

PGB

Partnership Governance Board of the firm

PRG

Policy and Reputation Group. The PRG brings together representatives from the large UK audit firms to develop an understanding of evolving public interest issues

See www.theprg.uk

QAD

Quality Assurance Department of the ICAEW

QMA

Quality Management Approach

QME

Quality Management Evolution

RAC

Risk and Audit Committee of the firm

RCA

Root Cause Analysis

RemCo

Remuneration Committee and Profit Share Committee

RI

“Responsible Individual” an individual registered with the ICAEW to sign audit reports on behalf of the firm – except in the public sector see KAP

SEC

Securities and Exchange Commission

Self-interest threat

When any of the firm, its partners, staff or other covered persons, has financial or other interests which might cause the firm or any covered person to be, or be perceived to be, reluctant to take actions in connection with the engagement that would be adverse to such interests of the firm or any such person

Self-review threat*

When the results of non-audit/additional services, or where the subject matter of such services, whether performed by the firm, the engagement team or others within the firm, are addressed in the engagement or reflected in the amounts included or disclosed in the financial statements or other subject matter information of the engagement

SLT

Strategic Leadership Team of the firm

“firm”

Refers to “Grant Thornton UK LLP” and certain subsidiary entities

“our”

Refers to “Grant Thornton UK LLP”

“us”

Refers to “Grant Thornton UK LLP”

“we”

Refers to “Grant Thornton UK LLP”

Definitions denoted with an * have a more detailed definition in the FRC’s glossary of terms available at [Financial Reporting Council | Glossary of Terms \(Auditing and Ethics\)](#)

Contact details

You can contact us about any aspects of this Transparency Report via:

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