

Kreston Reeves

Transparency Report

September 2022



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1. Introduction



This Transparency Report is for the year ended 31 May 2022. This report is in accordance with the Transparency Reporting requirements set out in The Statutory Auditors (Transparency) Instrument 2008 which is drawn from Article 13 of Regulation (EU) No.537/2014 and the amended Directive 2014/56/EU.

In this report we explain the ethos of Kreston Reeves together with the required information on legal structure and governance, our international reach through Kreston Global, details on our quality controls and financial information.

2. About Kreston Reeves



Our purpose is to guide our clients, our colleagues, and our communities to a brighter future.

In a continually evolving world we want to help all generations embrace this change through trusted advice, support and guidance.

Having a passion for continued improvement ensures that we work to understand your goals: we will support and advise you on your journey, and we will help you to realise your potential.

Our purpose is rooted in our values and our values define who we are, what we stand for, and how we behave.



Understand

We're curious, we ask and we listen. We put ourselves in our client's shoes.



Look ahead

We anticipate the future and plan for it. Embracing the benefits of change.



Make it personal

We adapt to our clients' needs. Flexing our style to get the best outcome for every situation.



Be crystal clear

We consult others and give helpful feedback. Ensuring our clients know what's going on and how it impacts them.



Be human

We invest time in building strong relationships with our clients. Have a positive 'can do' attitude and help our clients to grow.

CSR

Kreston Reeves operate a dedicated Corporate Social Responsibility (CSR) Programme and are committed to ensuring that we have a positive impact in our communities and to our colleagues.

United Nations Sustainable Development Goals

We have made a commitment to support four United Nations Sustainability Development Goals (UN SDGs), as recommended by the ICAEW (Institute of Chartered Accountants in England and Wales). These four goals are being embedded within Kreston Reeves and drive our business in everything we do.



Kreston Reeves CSR Impact Report

To demonstrate the way that we work towards the UN SDGs, we release an annual CSR Impact Report. This highlights the achievements Kreston Reeves have made in the last year and demonstrates our future commitments to work towards a sustainable future, including our pledge to be Carbon Neutral.

For more details on our commitment to these goals, and to view our CSR Impact Report, please visit our [CSR webpage](#).

2. About Kreston Reeves



Kreston Reeves Go Carbon Neutral

We understand that business must play an important role in helping to solve the climate crisis. We are pleased to announce that we are officially carbon neutral as an organisation. You can read more on our journey to achieve this on our [website](#).

Kreston Reeves Foundation

We have established the Kreston Reeves Foundation, a registered charity (registered number 1180402) that is run by Kreston Reeves for the benefit of our colleagues and local charities.

Our Foundation supports our Charities of the Year through fundraising generated by our colleague's efforts every year. The Foundation organises a 'Making Dreams Come True' campaign, where it provides matched funding for a group of our colleagues to make a significant difference

The Foundation also offers each of our colleagues a day of paid leave to volunteer for a local charity of their choice. We have had some great feedback from the charities we have already worked with and they have really felt the benefit of our work.



Wellbeing Programme

As a firm we are continually looking to build an open, positive, and appreciative working environment. This has been the catalyst of our wellbeing movement.

The programme includes activities which bring awareness across all aspects of wellbeing – from physical, mental to emotional health. Events include exercise classes and groups, training towards understanding and nurturing our mental health, and partaking in national wellbeing days.

We now have wellbeing ambassadors at each of our eight offices who were elected by their colleagues. These individuals have received specialist mental health awareness training and champion their offices' wellbeing, coordinating local events and activities as part of national events, and offering first point of contact to direct individuals to support for personal wellbeing issues.

Equality, diversity, inclusion

Our people are our firm – without them, we couldn't deliver the fantastic service we're known for.

We have a community of over 500 people in our firm, and within that, smaller communities in different locations, from different backgrounds and with different goals. That's why we want to celebrate them, their differences and their potential.

- We understand the different experiences of our people and how these help to shape our firm.
- We look ahead to support our people to overcome barriers and futureproof their career.
- We make it personal by getting to know the makeup of our firm and the individuals behind it.
- We are crystal clear by recognising where we need to make changes and keeping our people involved in decision-making.
- We are human; by looking after our people, they look after our firm.

We are committed to ensuring all our people, regardless of ethnicity, gender, sexual orientation, religious beliefs, disability or age, are supported to be the very best they can be. We are committed to ensuring that all our people feel welcome, supported and equal as part of Kreston Reeves. We are committed to guiding all of our people towards their brighter future.

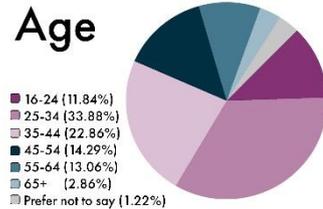
2. About Kreston Reeves



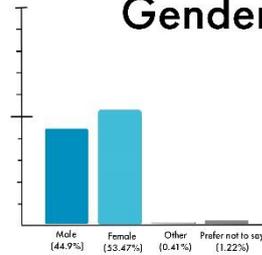
Our people: diversity

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Age



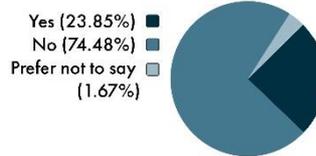
Gender



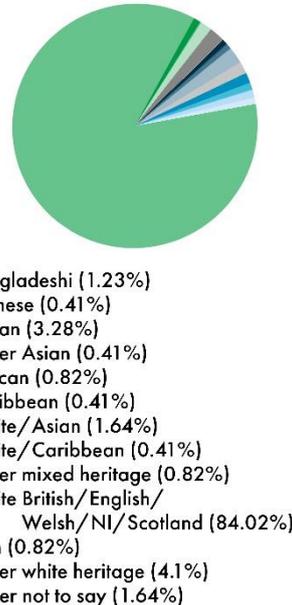
Grade



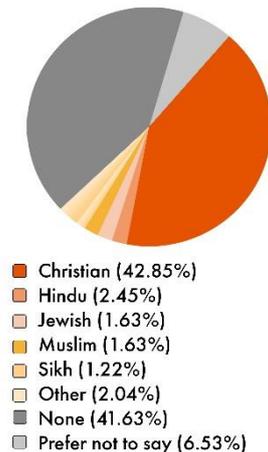
Disability



Ethnicity



Faith



School

- State run / funded (63.27%)
- Outside the British Isles (2.45%)
- Independent/fee paying (10.61%)
- Selective (19.59%)
- Non-selective (2.04%)
- Prefer not to say (2.04%)

Qualification

- Degree level (55.83%)
- A level or vocational (34.58%)
- Below A level (4.17%)
- No formal qualifications (1.25%)
- Not applicable (0.83%)
- Other (1.67%)
- Prefer not to say (1.67%)

Education

We are committed to ensuring all our people, regardless of ethnicity, gender, sexual orientation, religious beliefs, disability or age, are supported to be the very best they can be. We are committed to ensuring that all our people feel welcome, supported and equal as part of Kreston Reeves. We are committed to guiding all of our people towards their #brighterfuture.

Graphics are representational and not to scale

June 2021.2v

3. Legal structure and ownership



Kreston Reeves LLP is a limited liability partnership incorporated in England and Wales, registered number OC328775, Registered Office 37 St Margaret's Street Canterbury Kent CT1 2TU.

Kreston Reeves is wholly owned by its members of which at the date of writing there 39 commonly referred to as Partners. A full list of members names is maintained at our Registered Office.

We have 7 offices across London and the South East in:

- London Shoreditch
- Brighton
- Canterbury
- Chatham Maritime
- Chichester
- Discovery Park Kent
- Horsham

Client services are delivered in service lines including:

- Accounts and outsourcing
- Audit and assurance
- Business advisory and transformation
- Corporate finance and litigation support
- Forensic accounting
- Legal services
- Payroll
- Restructuring
- Taxation

Certain services are delivered through a wholly owned subsidiary:

- Kreston Reeves Private Client LLP - regulated for a range of investment business activities and licenced to carry out the reserved legal activity of non-contentious probate in England and Wales

4. International reach



Kreston Reeves is a member of Kreston International Limited (Kreston Global). Members of Kreston Global are separate legal entities and, as such, have no liability for the acts and omissions of any other member firm.

Our membership gives your business global coverage because we're part of the Kreston Global network. A network of innovative, like-minded accounting firms that puts trusted relationships and exceptional care at the heart of everything it does.

Kreston Global membership gives us the ability to go above and beyond for clients who have big ambitions. They draw from a global resource of over 160 quality-assured accounting firms in over 110 countries and employ more than 23,500 talented, dedicated, knowledgeable professionals who share the same culture and values.

The significant experience we have working alongside international clients for years is epitomised by our client care and service delivery. Our sought-after client care and service delivery is forged by the continuous strengthening of our industry knowledge and experience.

The advisory services we provide span a broad range of sectors, including, but not limited to, technology, financial services, property and construction, and professional services. We focus on three core regions of the globe – Asia, Europe, and North America. Each region is headed up by a partner who is very familiar with regional issues and has a long-established relationship with local Kreston Global firms within the network.

Our breadth of knowledge and expertise enables us to provide a diverse range of guidance and has regularly included - advising UK businesses that want to expand overseas and companies looking to set up subsidiaries in the UK. The advice that we provide in collaboration with our fellow Kreston Global firms is extensive and includes tax planning; VAT and Duty; and corporate finance.

There is no one-size-fits-all to our approach: We will always scale services to meet your international needs, adapting as your requirements change, always advising to give you opportunity, the best value and absolute peace of mind.

Wherever in the world your ambition takes you, our combination of expertise and empathy will help your business to meet the demands of the future.



5. Governance



Kreston Reeves has a Management Committee which sets strategy, monitors performance and is responsible for quality. The Management Committee meet twice every month, firstly to consider strategic matters and secondly monitor operational arrangements and performance.

Quarterly partnership meetings are held with all Members to receive reports from the Management Committee and discuss and vote on structural matters.

The Management Committee hold regular open meetings with staff on a regional basis to update on direction, performance, current issues and strategy.

Client service is delivered along service lines with Key Service Line Leaders reporting in to the Management Board. Regular meetings with staff are held on regional basis by Key Service Line Leaders. Each service line has a business plan which is updated annually. The business plans are shared with staff.

The Senior Partner provides a monthly update to the entire firm on vision update, news and progress.

6. Quality control systems and independence



Internal quality control system

The Management Committee are responsible for quality assurance throughout Kreston Reeves with audit quality being a prime responsibility of the Managing Partner supported by the Senior Partner and the Audit Compliance Partner.

Kreston Reeves cultivates a culture of quality from induction training to service delivery. This ensures compliance with regulatory requirements such as for audits an annual compliance review and for all services to meet relevant professional standards.

The annual compliance review for audit includes a sample of audit files being reviewed externally for quality and regulatory compliance. The results of these reviews are shared with the relevant Responsible Individuals and audit teams. Common themes and learning points then inform audit training for the coming year and are delivered both internally and by external consultants.

The Firm's Audit Compliance Partner, ACP, (as required by Audit Regulations issued by ICAEW the Firm's Recognised Supervisory Body) acts as the first point of contact with the ICAEW. The Firm's ACP also acts as the Principal Authorised Contact, PAC, as the first point of contact with the Financial Reporting Council (FRC).

Kreston Reeves maintains an audit compliance manual supplemented by further guidance and training materials which sets out in detail mandatory audit procedures. These require suitable reviews of all audit files and a second Senior Statutory Auditor (SSA) engagement quality review of all audit assignments that are not determined to be low risk.

The Firm has appointed an Ethics Partner (EP) who has overall responsibility for policy and procedures relating to integrity, independence and compliance with the FRC's ethical standards.

Kreston Reeves applies robust engagement acceptance procedures for all prospective clients. This includes monitoring by a Client Acceptance Panel comprising the ACP, EP and other specialist senior Partners.

Statement by the Management Committee on the effectiveness of the Firm's internal control system

On behalf of the Management Committee the Managing Partner confirms that the Firm's system of internal control has functioned effectively during the period of this report and to date of the approval of this report.

External monitoring

Kreston Reeves is subject to regular external review by the Quality Assurance Department of the ICAEW. The last QAD audit inspection was undertaken and concluded in 2021. The Firm is subject to Audit Inspections and Audit Quality Control Reviews by the FRC.

Kreston Reeves has not faced any ICAEW or FRC disciplinary hearings during the year of this report or until the date of approval of this report.

The Firm's financial statements are audited by Clive Owen LLP, Chartered Accountants.

7. Independence practices and education

Independence practices

Kreston Reeves maintains policies and procedures that apply to all Partners and staff to ensure compliance with the requirements of the ICAEW and FRC to ensure independence. These procedures include annual completion of statements of independence, confidentiality and confirmation of fit and proper status.

The internal review of independence compliance has been conducted by the EP.

Training is provided on ethical matters.

All actual and perceived threats to independence are considered by the EP, with consultation with other senior Partners, documented and an appropriate action plan developed and subsequently monitored by the EP.

Independence policy also covers the rotation of SSA and senior staff on audit assignments. We apply mandatory SSA rotation after 5 years for all audits of public interest entities and other listed clients. For all other audit clients, acting as SSA for more than 10 years is reported on an annual basis to the EP who considers the risks to independence and selects appropriate safeguards where rotation is considered not necessary. Senior staff acting for an audit client for more than 10 years are required to report this to the SSA who are required to document the threats and safeguards applied.

Continuing professional education

Kreston Reeves use a variety of external training providers and professional bodies to deliver ongoing professional education and specialist training. This is supplemented by internal lectures. There has been an ongoing focus on training in IFRS and recent changes to ISAs. All Partners and staff are engaged in our appraisal system where individual professional development is a key factor.

8. Public interest entities (PIEs)



During the year Kreston Reeves carried out audits of PIEs regulated by the FRC on the following entities:

- London & Associated Properties PLC
- Bisichi PLC
- Bakers Food and Allied Workers Credit Union Limited

9. AIM and AQSE listed



During the year Kreston Reeves carried out audits on the following entities listed on AIM and AQSE:

- Norman Broadbent PLC
- Rambler Metals and Mining PLC
- Aqru PLC
- Clarity Pharma PLC

10. Financial Information

and members remuneration



Members remuneration

The Firm's Allocation Committee determines members remuneration. Allocation of profits to members occurs regularly throughout the year with the final allocation of profits and distribution to members determined after the financial year end.

The selling of non-audit services to audit clients does not form part of the determination of Audit Partners remuneration. Further no Partner remuneration is determined on a basis that would compromise audit independence.

Analysis of revenue

Analysis of revenue	2022 £	2021 £
From Statutory Audit Work		
PIEs	112,651	2,175
Other audit clients	11,175,724	8,946,523
From non-audit services to audit clients	3,908,209	3,822,650
From non-audit services to non-audit clients	23,587,014	22,050,834
Total	38,783,598	34,822,182

Kreston Reeves

Statutory Auditor

Canterbury

September 2022

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Kreston Reeves LLP (Registered number OC328775) is registered to carry on audit work and is regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at www.auditregister.org.uk, under reference number C001541365. Kreston Reeves Private Client LLP (OC342713) is licensed by the Institute of Chartered Accountants in England and Wales to carry out the reserved legal activity of non-contentious probate in England and Wales and regulated for a range of investment business activities. A list of our members' names is available at our registered office and details of the licensing bodies for our insolvency practitioners can be found at our website. Kreston Reeves Financial Planning Limited are authorised and regulated by the Financial Conduct Authority. Registered in England and Wales with registered numbers 03852054 and OC306454. Registered office: 37 St Margaret's Street, Canterbury, Kent CT1 2TU. Kreston Reeves LLP is a member of Kreston Global which is the trading name of Kreston International, a global network of accounting firms, each of which is a separate independent legal entity and as such has no liability for the acts or omissions of any other member firm. Kreston International is a company registered in England (No: 3453194) and limited by guarantee. Kreston International Limited provides no services to clients and has no liability for the acts or omissions of any member firm. Registered office: 7 Bell Yard, London, WC2A 2JR.

For further information

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