

SRG LLP

TRANSPARENCY REPORT

INTRODUCTION

In accordance with the Statutory Auditors (Transparency) Instrument 2008, issued by the Professional Oversight Board, we submit our Transparency Report for the year ended 31 March 2015.

LEGAL STRUCTURE AND MEMBERSHIP OF THE FIRM

SRG LLP is a limited liability partnership. It is wholly owned by its members (otherwise known as partners), all of whom are chartered accountants.

GOVERNANCE STRUCTURE

The partners, as a group, are responsible for developing and implementing the policies and strategies of the firm and for its direction and management. It is also responsible for developing and implementing the policies and strategies of the firm and for its direction and management. It is also responsible for the systems of internal control and for reviewing their effectiveness. Individual partners have specific responsibility for certain aspects of the firm's management delegated to them, whilst quality assurance is the responsibility of a separate sub-committee of partners.

The partners meet formally each quarter to discuss partnership business.

INTERNAL QUALITY CONTROL SYSTEM

Our audit and quality control standards are set out in the various policies and compliance with, Practice Assurance, International Auditing Standards and UK Audit Regulations.

Our quality control system comprises the following elements in line with the International Standard of Quality Control:

1. Leadership responsibilities for quality within the firm;
2. Ethical requirements;
3. Acceptance and continuance of client relationships and specific engagements;
4. Human resources;
5. Engagement performance;
6. Monitoring;
7. Documentation

The partners regularly review the effectiveness of the systems of internal control and take the necessary action to remedy any significant failings or weaknesses identified in the review.

EXTERNAL INSPECTIONS

We are authorised by the Institute of Chartered Accountants in England and Wales (“ICAEW”), a recognised supervisory body under the Companies Act 2006 to carry out statutory audit work. As such we are subject to periodic monitoring visits by the Audit Inspection Unit of the Professional Oversight Board and the Quality Assurance Directorate of the ICAEW. The most recent visit was carried out in February 2014.

INDEPENDENCE PROCEDURES AND PRACTICES

We comply with the policy and procedures regarding independence as set out by the Professional Oversight Body and the UK Ethical Standards of the Auditing Practices Board. All partners and members of staff are required to complete an Annual Independence Confirmation and notify the Audit Compliance Partner of any changes in circumstances.

CONTINUING PROFESSIONAL DEVELOPMENT

Continuing Professional Development (“CPD”) is monitored for all partners and staff engaged in statutory audit work. Support to keep technical knowledge up to date, the firm is committed to providing training courses delivered by external providers. All partners and staff involved in statutory audit work have access to up to date technical reference material including all UK and International Auditing and Ethical Standards. We subscribe to various technical publications including industry specific in specialist sectors such as pensions and charities. Regular appraisals of all staff assist in identifying personal training needs and development activities.

FINANCIAL INFORMATION

The attached schedule discloses the proportion of fees from the following:

	<u>2015</u>	<u>2014</u>
Statutory audits	10%	10%
Other services	<u>90%</u>	<u>90%</u>
	<u>100%</u>	<u>100%</u>

PARTNER REMUNERATION

Partners are remunerated solely out of the profits of the firm and are responsible for funding their own pensions and other benefits. Each partner’s share is determined annually by reference to responsibility, equity unit and performance appraisal. The element attributable to performance appraisal is subject to an overall cap.

PUBLIC INTEREST AUDIT CLIENTS

The clients for whom we have issued an audit opinion between 1 April 2014 and 31 March 2015 who have issued transferable securities on a regulated market as defined in the Statutory Auditors (transparency) Instrument 2008 (POB 01/2008) is London Finance and Investment Group plc.