



TRANSPARENCY REPORT

For the 52 weeks ended 1 July 2011

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1. INTRODUCTION

Welcome to our transparency report for the 52 weeks ended 1 July 2011.

Consequent to the adoption of the EU's 8th Directive on transparency reporting, the Professional Oversight Board published the Statutory Auditors (Transparency) Instrument 2008 in April 2008. These regulations require auditors of public interest entities to publish on their websites annual transparency reports and set out minimum requirements that such reports must meet, including information about themselves, systems of quality control and independence procedures and practices.

The following pages set out how we have addressed those areas covered by the Statutory Instrument. We welcome the opportunity to provide information that is intended to assist in better understanding how we operate and we consider that we meet the spirit as well as the letter of those requirements. We also believe that, by demonstrating the strength and quality of our audit processes and practices, this will contribute to a high level of confidence and trust both with our stakeholders and the wider business community.

Last year we welcomed the publication of the Audit Firm Governance Code ('the Code'). We remain committed to the Code. Our statement on compliance with the Code's provisions and report on how we have applied in practice each of the principles of the Code is given in Appendix A.

This year, we have made changes to our detailed structures and governance procedures to meet the spirit and the requirements of the Code.

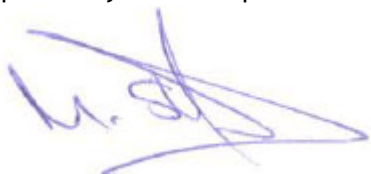
From 1 October 2010, our Senior Partner has been independent from the Leadership Team and now advises them in an independent capacity. We have also changed the way we use our Independent Non Executives ('INEs'). As detailed in section 4 our INEs are members of the Leadership Team and one of the INEs chairs each Leadership Team meeting.

During the year, the firm established an internal audit function to review the effectiveness of the firm's system of internal control, and provide the Risk Committee and the Leadership Team the assurance to make the statement as required by section D2 of the Code. Internal Audit achieves this through:

- Coordination of existing compliance reviews
- Establishing compliance controls and testing of these controls where required
- Developing a rolling program of review for consideration by the Risk Committee
- Providing regular updates to the Risk Committee highlighting any key risk areas.

Dialogue between audit firms and shareholders is an important feature of the Code. Representatives of the firm have met informally with representatives of listed companies and their shareholders throughout the year and this dialogue is expected to continue through more formal meetings.

Approved by Leadership Team on 21 September 2011



Mark Sherfield
Chief Operating Officer

2. LEGAL STRUCTURE AND OWNERSHIP

BDO LLP ('the LLP' or 'the firm') is a limited liability partnership, incorporated in the UK and is owned by its members (who are often referred to as 'partners'). At 1 July 2011, there were 190 members.

The BDO Belfast firm is a separate partnership which operates under a licence agreement.

Business structure

Our UK business operates from 14 offices nationwide. The firm also operates a branch in the Isle of Man. Our business is structured along both geographical and service lines, our principal services being Audit, Advisory (comprising Corporate Finance, Business Restructuring and Forensic Accounting) and Tax. These business streams have dedicated teams of partners and professional staff nationwide tailoring high quality business solutions for their clients.

The firm has a wholly owned subsidiary, BDO Corporate Finance (Middle East) LLP, registered in the Dubai International Financial Centre and authorised and regulated by the Dubai Financial Services Authority. BDO Corporate Finance (Middle East) LLP provides corporate finance advice and other specialist advisory services.

In November 2010, Oakley Capital Private Equity acquired Fitzwilliam Holdings Limited. BDO LLP then acquired a 13.3% stake in the acquiring company. In May 2011, the main trading company, BDO Investment Management Limited, rebranded and renamed itself as Broadstone Pensions & Investments Ltd. Broadstone Pensions & Investments Ltd offers pensions advice and investment solutions to private clients and to companies in offices across the country and is regulated by the Financial Services Authority.

Details of the firm's other investments are given in the firm's annual report which can be found at www.bdo.uk.com/library/annual-review

3. NETWORK

BDO LLP is a member firm of the BDO network.

Description of the network

The BDO network is an international network of public accounting firms, the BDO Member Firms, which perform professional services under the name and style of BDO. BDO is the brand name for the BDO network and all BDO Member Firms. 'BDO' and 'BDO International' are trademarks of Stichting BDO. Stichting BDO is a Dutch Foundation whose registered office is in Eindhoven. The objects of the foundation are:

- To promote high standards of auditing, accountancy, financial, fiscal and business advice throughout the world by the use of the business name 'BDO' and the development of the BDO network
- To own and protect any and all rights to the name BDO its accompanying logos and styles and any other intellectual property and rights and
- To grant licenses to use the BDO name.

Legal and structural arrangements in the network

Each BDO Member Firm is a member of BDO International Limited, a UK company limited by guarantee, either as a voting member (one per country) or a non-voting member.

Service provision within the BDO network is coordinated by Brussels Worldwide Services BVBA, a Belgian limited liability company with its seat in Brussels.

BDO International Limited and Brussels Worldwide Services BVBA do not provide any professional services to clients. This is the sole preserve of the BDO Member Firms.

Each of BDO International Limited, Brussels Worldwide Services BVBA and the BDO Member Firms is a separate legal entity and has no liability for another such entity's acts or omissions. Nothing in the arrangements or rules of BDO shall constitute or imply an agency relationship or a partnership between BDO International Limited, Brussels Worldwide services BVBA and/or the BDO Member Firms.

Governance of the network

The BDO network is governed by the Council, the Policy Board and the Executive (or Global Leadership Team) of BDO International Limited.

The Council comprises one representative from each voting member of BDO International Limited. The Council approves budgets, appoints the Policy Board and approves any changes in the Articles and Regulations of BDO International Limited. The council meets annually.

The Policy Board, which is the Board of Directors of BDO International Limited, currently comprises a representative of the network's five largest member firms, whose appointment, each for a three year term, is approved by the Council. The Policy Board sets policies and priorities for the network and oversees the work of the Global Leadership Team. The Policy Board meets at least four times a year and more if required.

The Global Leadership Team is tasked with coordinating the activities of the network on a day-to-day basis. It is headed by the CEO and comprises the Global Heads of Audit and Accounting, Tax, People, Client Service, Network Development and the International Secretary. The Policy Board elects a CEO to hold office for a term as may be specified by the Policy Board. The CEO appoints the Global Leadership Team, with the prior approval of the Policy Board.

There is no limit to the number of terms that an individual may serve on the Global Leadership Team. The Global Leadership Team meets monthly.

Size of network

The global aggregated turnover for BDO Member Firms (including their exclusive Alliances) for the year ended 30 September 2010 was in excess of €3.8bn. At 30 September 2010, the BDO network consisted of 96 member firms, operating in 119 countries with 1,082 offices. At 30 September 2010, the BDO network had almost 47,000 partners and staff.

Key features of the member firm network agreement

Each BDO Member Firm is an independent legal entity and profits are not shared between member firms. All BDO Member Firm client engagements - whether for domestic work, referred work from other firms in the network, or international work sourced from non-BDO sources - are conducted in the name of the local BDO Member Firm.

Membership of the network confers certain rights on BDO Member Firms, as well as certain obligations. Rights include the use of the BDO brand, including the network name and logo, the ability to refer work to and from other BDO Member Firms and a wide range of resources. Obligations include the capability to offer the minimum core services, including accounting and auditing, taxation and specialist advisory services, and a high standard of professionalism and ethics.

An International Liaison Partner in each member firm facilitates international referrals and the smooth running of projects and relationships to ensure clients receive an integrated service. At a national level, Country Co-ordinating Partners provide in-depth knowledge of the people and issues in individual countries.

4. GOVERNANCE STRUCTURE OF THE UK FIRM

The Audit stream is an integrated part of the firm and is subject to the same governance structure as all other business streams as follows:

Leadership Team

The partners elect a Managing Partner to hold office for a term of four years commencing from 1 October in the year in which they are elected.

The Managing Partner is not eligible for election for more than two consecutive terms in such office but there is no limit to the number of terms that a partner may serve on the Leadership Team other than as Managing Partner.

The Managing Partner appoints the Leadership Team. The Leadership Team is approved by the Partnership Council.

The Leadership Team at 1 July 2011 comprised the following members:-

- **Simon Michaels - Managing Partner**
Simon's role is to lead BDO in the UK with overall responsibility for setting and delivering the strategy, running the business and ensuring we have the quality reputation and clients that enables us to motivate and retain the best people. Simon has overall responsibility for building our brand and reputation and communications. He also represents the firm on the BDO International Policy Board. Simon has been a partner for 12 years and Managing Partner since 5 July 2008.
- **Mark Sherfield - Chief Operating Officer ('COO')**
Mark supports the Managing Partner and oversees business planning across the firm, operational efficiency and improvement, and integration of the practice management departments. He has responsibility for our people proposition, with the Head of HR and the Head of Learning and Development reporting in. Mark also has Leadership Team responsibility for the operational aspects of all other PMDs (except Marketing, Sales and Clients ('MSC')) and partnership finance matters. Mark has been a partner for 12 years and has served on the Leadership Team since 1 January 2010.
- **Jeff Jones - Head of Regions**
Jeff is responsible on the Leadership Team for the financial performance of all the regional SBUs and for the development and oversight of their regional strategy. He also works alongside the COO on the people proposition. He is a business restructuring partner based in the Manchester office. Jeff has been a partner of the firm for ten years and has served on the Leadership Team since 1 April 2009.
- **Gervase Macgregor - Head of Advisory**
Gervase has oversight on the Leadership Team for the financial performance of Corporate Finance, Business Restructuring and Forensics in London, and promotes the development of advisory cross-stream working and our position in the market. Gervase also takes Leadership Team responsibility for risk and regulation. He is a forensic services partner based in the London office. Gervase has been a partner for 20 years and served on the Leadership Team since 5 July 2008.
- **Paul Eagland - Head of Audit and Tax**
Paul ensures the development and execution of the national strategy, quality, technical/knowledge sharing and best practice/efficiency for tax and audit; and takes responsibility for the growth and development of the two streams. Paul is also responsible on the Leadership Team for London Audit and Tax P&L and MSC. He is a tax partner based in the London office. Paul has been a partner for 15 years and has served on the Leadership Team since 5 July 2008.

The firm has two independent non executives ('INEs') who are members of the Leadership Team and add value to the firm by bringing independent challenge and improved governance. One of the INEs is selected to chair Leadership Team meetings and this is currently undertaken by Lesley MacDonagh. Lord David Currie also chairs the Risk Committee.

Lord David Currie and Lesley MacDonagh have been INEs at the firm for three years and members of the Leadership Team since October 2010.

- **Lord (David) Currie - INE**
David has a distinctive mix of senior experience in business, academia and the regulatory world. He is an experienced non-executive director and had a distinguished academic career, latterly as Dean of Cass Business School. As a member of the House of Lords and former Chairman of OFCOM, David is well respected by all political parties and across business. His other current non-executive directorship commitments include being a Board member of the Dubai Financial Services Authority, the London Philharmonic Orchestra and Royal Mail.
- **Lesley MacDonagh - INE**
Lesley has had an impressive legal career at Lovells. She was the youngest person to be made partner and was the first female managing partner of a top 10 law firm. During her terms as managing partner, the firm doubled in size and expanded to operate in 27 locations around the world, whilst more than doubling its profitability. In this time, the firm rose to be the sixth largest law firm in the world. Lesley has had a portfolio of non executive directorships which has included SEGRO (formerly Slough Estates) and Bovis Homes Group plc (both FTSE listed companies) and currently includes other professional services firms. Lesley has chaired all Leadership Team meetings since 1 October 2010.

The Leadership Team provides strategic and operational leadership to the firm. It met at least once per month during the period under review.

The Leadership Team sets and implements strategy with a high degree of emphasis on the firm's services to its clients. The Managing Partner maintains an ongoing dialogue with the wider firm through regular business updates on strategy and development to all partners and employees (including a formal quarterly update on the performance of the business) as well as periodic engagement sessions, giving individuals at all levels the opportunity to raise questions and issues directly with the Managing Partner.

Independent Non-Executives

The Partnership Council is independent from the Leadership Team and has overall responsibility for equity and governance matters. The Partnership Council reviews the effectiveness and independence of the INEs. Candidates for INE roles are proposed by the Leadership Team and approved by the Partnership Council. INEs are invited to attend a meeting of the Partnership Council on an annual basis without members of the Leadership Team in attendance and have the right to meet with each other on a private basis. In addition INEs have the right to initiate direct access to the Partnership Council at any other time in order to report and agree a course of action in relation to any fundamental disagreements with the Leadership Team. Where ultimately the disagreement cannot be resolved and results in the resignation of the INE they also have the right to report this resignation publicly.

It is a condition of the appointment that INEs comply with the firm's policies and procedures applicable to employees and partners including independence rules as outlined in Section 9.

INEs are appointed on a rolling term of one year unless or until terminated by either the INE themselves or by the firm.

The INEs perform duties as set out in their letter of appointment; in particular they:

- Provide advice on governance and fulfilment of INE obligations relating to the Audit Firm Governance Code
- Provide City and institutional support
- Apply independent judgement to matters of particular concern to the firm.

Where occasions arise that the INEs consider they need to obtain independent professional advice, the firm will fully reimburse the cost of obtaining such advice.

Senior Partner

The partners elect a Senior Partner to hold office for a term of four years commencing from 1 October in the year in which they are elected.

The Senior Partner is not eligible for election for more than two consecutive terms in such office.

In response to the Audit Firm Governance Code, the Senior Partner role changed with effect from 1 October 2010. The Senior Partner is responsible for firm governance as well as acting as a senior representative for and ambassador of, the firm. The Senior Partner undertakes a client facing role and sits within a strategic business unit ('SBU'). The Senior Partner chairs the Partnership Council and takes responsibility for managing all Partnership Council duties. The Senior Partner attends Leadership Team meetings in a non executive capacity to facilitate the governance oversight role of Partnership Council.

The Senior Partner at 1 July 2011 was Mark Bomer. Mark was appointed the Senior Partner on 20 June 2011 following a formal election process. Mark has been a partner for ten years. Dermot Mathias (retired 30 September 2010) and Simon Bevan (appointed 1 October 2010; retired 19 May 2011) also served as the Senior Partner during the year.

Partnership Council

The Partnership Council meets once a month, chaired by the Senior Partner, to consider matters such as partner equity issues, profit sharing and new admissions to and exits from the partnership. Its composition is designed to ensure appropriate representation of partners by region. It consists of 12 elected partners together with the Senior Partner, Managing Partner and another representative from the Leadership Team may attend by invitation of the Managing Partner. Only the elected partners have voting rights. Elected partners are elected for a four year term, with a maximum of two consecutive terms. Partners can be re-elected after a break of two years.

The Partnership Council at 1 July 2011 comprised the following members:-

Name	Title
Mark Bomer (chair) ¹	Senior Partner
Simon Michaels	Managing Partner
Roger Buckley	Corporate Finance Partner
Richard Citron	Tax Partner
Graham Clayworth ¹	Audit Partner Chair of Audit Committee
Russell Field	Audit Partner
Angela Foyle ¹	Tax Partner
Chris Grove	Corporate Finance Partner
Gary Hanson ¹	Audit Partner
Terry Jones	Tax Partner
Dermot Power	Business Restructuring Partner
Martha Thompson	Business Restructuring Partner
Matthew White ¹	Audit Partner

¹ These members form the firm's Audit Committee

As a result of Mark Bomer's appointment as Senior Partner on 20 June 2011, a vacancy for an elected partner arose on the Partnership Council. Solly Benaim was elected as a Partnership Council member in August 2011.

The additional Leadership Team representative is Paul Eagland - Head of Audit and Tax.

Audit Committee

The Audit Committee comprises five members of the Partnership Council. Members of the Audit Committee are appointed by the Partnership Council and each member has skills and experience appropriate to the Partnership's business. Their term of office coincides with their time on the Partnership Council.

The Audit Committee at 1 July 2011 comprised the following members:-

Name	Title
Mark Bomer	Senior Partner
Graham Clayworth	Chair of Audit Committee
Angela Foyle	Tax Partner
Gary Hanson	Audit Partner
Matthew White	Audit Partner

The Audit Committee meets with the external auditors and management to provide a forum for the external auditors' reporting. It met four times during the last financial year. Each year it seeks reassurance from the external auditors of their independence and objectivity. It assesses and monitors their independence in line with the ICAEW publication *Reviewing auditor independence: guidance for Audit Committees*.

It reviews and monitors the integrity of the firm's financial statements, including key judgements made by management, before they are submitted to the partnership. It considers the effectiveness of the internal controls maintained and monitored by management as well as reviewing management's prioritisation of key operational risks.

Risk Committee

The Risk Committee replaced the Risk Management Committee in November 2010.

The Risk Committee meets once every two months with responsibility for monitoring the risks facing BDO as a business and for scrutinising the processes in place within the business for managing and mitigating these risks. It has specific responsibility for focusing on risk issues and for enhancing the awareness of risk issues throughout the business. This includes:

- Monitoring changes in the risk profile of the business and drawing these changes to the attention of the Leadership Team and other parts of the business
- Overseeing a programme of work by the Risk Management Unit and Internal Audit to review systematically the effectiveness of risk management processes, including the controls embedded in the Commercial Controls Framework (see section 5)
- Reporting annually to the Leadership Team on the effectiveness of internal controls, providing recommendations for improvements in the firm's risk management processes for consideration by the Leadership Team.

The Risk Committee at 1 July 2011 comprised the following members:-

Name	Title
Lord David Currie (Chairman)	Independent Non Executive
Mark Sherfield	Chief Operating Officer
Martin Kaye	Head of Risk Management ²
Chris Clarke	Head of Internal Audit
Simon Brooker	Audit
Tony Nygate	Business Restructuring
Brent Wilkinson	Forensic
Graham Elsworth	Corporate Finance
John Willmott	Tax

Partner group meetings

Certain matters are specifically reserved for decision by all partners. The partner group meets at least once per year and the most recent partner group meeting took place in July 2011.

² From 1 September 2011, Iain Lowson took over the functions of Head of Risk Management in his role as Head of Risk and Quality.

5. RISK MANAGEMENT AND INTERNAL CONTROL

The firm recognises that risk is an inherent part of conducting business and that managing this risk is a critical element of its operations.

The Leadership Team has overall responsibility for the firm's system of internal control and for reviewing its effectiveness. Senior management is responsible for the day to day implementation and monitoring of this system, incorporating financial, operational and compliance controls and risk management systems.

The firm has a system of internal control, tailored to our business, which is summarised in the Commercial Controls Framework ('CCF'). The CCF has been developed by the firm to record high level risks for the firm, and the associated controls to manage those risks. It is recognised that the firm will have a significant number of risks and associated controls. However, all of the material risks/controls are captured in aggregate within this framework. The CCF is reviewed on a quarterly basis by senior management and any changes are communicated to Internal Audit who reviews the impact on the current review and test cycle.

Impacts and probabilities have been estimated to calculate a rating (either high, medium or low) of both risks and controls. A high net risk means that the impact and/or probability of risk occurring remains high, even after the applied control. A high impact control means that there is a significant reliance on the control item to manage the risk.

The effectiveness of the controls identified in the CCF is reviewed on an annual basis by Internal Audit. Whilst all of the net risks and controls will be reviewed on an annual basis, Internal Audit maintains a rolling test plan as described below:

	Year 1	Year 2	Year 3
All of the High Net Risks and High Impact Controls	Review and test	Review and test	Review and test
All of the Medium Net Risks and Medium Impact Controls	Review	Review and test	Review
All of the Low Net Risks and Low Impact Controls	Review	Review	Review and test

Necessary actions are being taken to remedy weaknesses identified from the review and testing.

6. INTERNAL QUALITY CONTROL SYSTEM

The firm's system of internal quality control is designed to provide reasonable assurance that the firm, its partners and staff comply with professional standards and regulatory and legal requirements and that audit work is performed to a consistently high standard. The firm considers that such systems are compliant with all mandatory standards, such as the IAASB's International Standard on Quality Control 1, and best practice frameworks including the FRC's Audit Quality Framework.

The firm's system of internal quality control can be split into the following elements:

- Leadership responsibilities for quality within the firm
- Ethical requirements
- Acceptance and continuance of client relationships and specific engagements
- Human resources
- Engagement performance in the Audit stream
- Monitoring of the Audit stream.

a. Leadership responsibilities for quality within the firm

Quality control is dependent upon an organisational structure which is inherently sound and which clearly defines the responsibilities of the various levels of management.

The Leadership Team and the whole firm are committed to quality work, the public interest and professional judgement and values.

The firm has clearly established responsibilities for the Managing Partner, the Senior Partner and other senior personnel. The Managing Partner and the Leadership Team devise and implement the firm's business strategy and manage operational issues.

Along with the firm's management, the Head of Risk and Quality reinforces the appropriate 'tone at the top' by instilling professional and ethical values in the firm. The Audit stream 'tone at the top' is set by the Head of Audit and the firm's Audit Compliance Partner.

The firm's Audit Stream Executive ('ASE') has a leadership role within the Audit stream in executing best practice, consistency in approach and in communicating priorities and agreed projects, initiatives and targets for the stream. The ASE, led by the Head of Audit, comprises audit partners and other relevant staff from across the firm's offices.

The national Audit stream is supported by the Technical Standards Group ('TSG') and the Risk Management Unit ('RMU').

TSG, reporting to the Head of Audit Quality, is inter alia responsible for the following:

- Developing audit methodology and guidance to ensure compliance with auditing standards
- Maintaining the firm's technical manuals and communicating developments to the firm's partners and staff
- Helping maintain the firm's audit practice to the highest standards prevailing in the profession, including the supervision of the firm's audit work
- Consulting with local office partners and other professionals seeking technical advice
- Overseeing the firm's technical continuing professional development programmes.

TSG and RMU assist the Audit Compliance Partner, who inter alia is responsible for the following:

- Monitoring of independence
- Monitoring the firm's audit work
- Coordinating the professional performance of the offices and achieving in each of them standards that measure up to the firm's professional objectives
- Evaluating the firm's quality controls policies and procedures.

b. Ethical requirements

The firm's electronic Conduct of Professional Standards Manual, Audit Manual and detailed pages on the firm's intranet contain the principles and rules relating to ethical conduct. These are supplemented by helpsheets and complemented by a comprehensive training programme designed to ensure compliance with both International and UK Ethical Standards. The ethical conduct guidance is available to all staff on the firm's intranet. Annual declarations are made by all partners and staff to monitor compliance with relevant ethical requirements. The firm's Ethics Partner is responsible for providing guidance and support on the application of ethical standards to ensure that our professional objectivity and independence is maintained.

c. Acceptance and continuance of client relationships and specific engagements

Robust client and engagement acceptance procedures play a pivotal role in the firm's ability to deliver a professional and quality service.

Before we enter into a relationship with any prospective client, and throughout the firm's relationship with any client, we gain and document knowledge about the client and the risks to the firm of our association with them.

In addition to fulfilling legal and regulatory requirements, understanding our clients and risks is essential to our ability to deliver 'Exceptional Client Service'. Being able to share this information across the business enables us to project 'One Firm' behaviours.

The acceptance of all clients requires an approval process that is appropriate to the perceived risk. 'High risk' audit clients require pre-approval by designated senior partners within the business stream and, in certain circumstances, by the Head of Risk and Quality.

d. Human resources

Human resources are a critical factor in our ability to provide professional services. In order to ensure that the firm has sufficient staff with the capabilities, competence, and ethical standards necessary to provide quality audits in accordance with professional and legal requirements we have established clear policies and procedures addressing the following areas:

- Recruitment
- Performance evaluation
- Capabilities and competence
- Career development and progression
- Forecasting of staff requirements.

Recruitment

Policies and procedures for recruitment are designed to provide reasonable assurance that those employed possess the appropriate characteristics to enable them to deliver a high quality service and perform their duties with professional competence.

We work actively to ensure we have an inclusive culture where everyone has an opportunity to develop and progress regardless of their differences. Inclusivity within the organisation, whether

it is based on age, gender, ethnicity or physical capabilities, strengthens the firm's values, makes the firm more representative and more capable of providing a quality professional service.

We seek people with high levels of intelligence, stability, maturity, integrity, motivation, aptitude and leadership qualities appropriate to the role for which they are being hired.

Management regularly reviews these policies and procedures to ensure that they are appropriate and are operating effectively.

Performance evaluation

All staff members are subject to formal performance development reviews twice per year and counselling on a regular basis, in order to evaluate the level of competence, monitor learning and development activities and to help them reach their full potential. Performance development reviews includes a review of each individual's contribution to the quality of service(s) provided by the firm and the quality of their work.

Evaluations are completed on an assignment-by-assignment basis at certain levels and also at six month intervals at all levels. The factors evaluated (which may vary by level) include work performance and general contribution, professional and technical competence, and other core competencies required for the execution of work duties.

Capabilities and competence

Policies and procedures for assigning staff to engagements are designed such that only those persons having adequate technical proficiency and competence will perform the work, taking into account the size, nature and complexity of each job role. A current profile of staff's technical proficiency is obtained by personal knowledge, by reviewing evaluation forms from previous engagements and is formally evaluated by the management team at least once a year.

Career development and progression

Employee career development is addressed on both a national and regional basis. Employees can progress from a trainee level to director before a candidate will be considered for admission to partnership. Employees are promoted to the next level only when they are prepared for the increased responsibilities that promotion entails.

Non-compliance with the firm's policies and professional standards is also recognised. Lack of compliance is reflected through additional training, delays in promotion or through dismissal for serious instances of non-compliance.

Forecasting of staff requirements

We recognise that ultimately it is the ability and commitment of the partners and staff that really makes a difference and enables us to deliver a quality audit. Given this, our ability to attract the right number of high quality people is of utmost importance. We predict our requirements so as to continue to service the firm's clients and provide sufficient capacity to enable our partners and staff to develop the business.

e. Engagement performance in the Audit stream

Common approach

Our policies and procedures are designed to ensure that audits meet all applicable professional standards, regulatory requirements and that the firm issues reports that are appropriate in the circumstances. To achieve this and to ensure consistency in the approach to auditing, the firm has contributed to the development of the common BDO Audit Approach, related software tools and other standard forms of documentation. This approach is fully compliant with International Auditing Standards and these common processes are used by BDO Member Firms.

The BDO Audit Approach is designed to be applied to all entities, whether small or large, to ensure that all audits are carried out to a consistently high standard. The successful application of the BDO Audit Approach depends on its intelligent application throughout the audit process by all partners and staff, drawing on the firm's knowledge and experience. In carrying out our work we observe the following principles:

- Independence and objectivity
- Diligence
- Professional judgement
- Professional scepticism.

Supervision and review

We require all professional work to be supervised by staff members who have appropriate knowledge and experience. It is the responsibility of the relevant partner, principal or director to ensure that related risks are identified and that decisions are taken by those with an appropriate level of experience. The relevant partner, principal or director must also ensure that professional work is carried out efficiently, with appropriate scepticism, and that it meets the firm's standards in all respects.

The audit engagement partner shall, through a review of the audit documentation and discussion with the engagement team, be satisfied that sufficient and appropriate audit evidence has been obtained to support the conclusions reached and for the auditor's report to be issued and that the audit has been carried out in accordance with the firm's policies and procedures. The audit engagement partner is ultimately responsible for ensuring that all material or potentially material matters or issues raised during the audit are satisfactorily resolved and documented in the working papers.

An engagement quality control review is performed for audits of public interest entities and other high risk engagements. This review is performed by an audit partner other than the audit engagement partner. The engagement quality control reviewer possesses the level of knowledge and competence related to accounting, auditing, and financial reporting required to serve as the person who has overall responsibility for the same type of engagement, and be knowledgeable and familiar with the client's industry, but will be independent from the client's audit team. They would ordinarily be an experienced audit partner and not likely to be unduly influenced by the views of a particular audit engagement partner. The engagement quality control reviewer cannot be actively involved in making ongoing decisions relating to the engagement and will not be involved in performing the engagement.

Engagement quality control reviewers are selected by TSG from a list of approved reviewers, as determined by the Head of Audit.

Consultation

Our culture of openness encourages consultation with experienced partners and other specialists where appropriate in order to achieve quality outcomes that properly take into account the public interest.

f. Monitoring of the Audit stream

Our policies and procedures concerning monitoring activities are designed to give the firm reasonable assurance that the firm's internal quality control system is operating effectively and is being complied with in practice.

Our quality control system includes an annual cold review process of audit files to monitor compliance with the firm's policies, procedures and standards and to ensure that the work done to arrive at an opinion, or to support advice that has been given, is both adequate and properly documented.

The review consists of reviewing, on a sample basis, the working papers and reports of selected audit engagements and documentation of compliance with our quality control policies and

procedures in other areas. The sample is selected to ensure that each audit responsible individual ('RI') is subject to review at least once every two years and at least 60% of all RIs are reviewed in any one year.

A designated partner is responsible for monitoring and documenting the implementation of, and compliance with, any corrective actions.

The process is managed by TSG and each review team is headed by an experienced audit partner. Each team also includes one member of TSG. Where the sample includes a specialist client such as a charity, appropriate internal specialists are involved in the review.

Independence of the reviewers is ensured through having each partner reviewed by a team from an SBU other than the partner's own and through TSG selecting the review teams and the partners subject to review.

Training sessions are given to all review team leaders and all review team members. In advance of the review, instructions are issued to the reviewers which include:

- The objectives of the process
- A checklist
- Appropriate guidance
- Reporting templates.

Management statement on effectiveness of functioning

These policies, procedures, monitoring and review activities (including those detailed in Section 5) have provided the firm's management with reasonable assurance over the effectiveness of the firm's internal quality control system and that the firm, its partners and staff have materially complied with applicable professional, regulatory and legal requirements and that audit work has been performed to a consistently high standard.

We are satisfied that the firm's system of internal quality control allows us to identify areas where improvements may be necessary.

The firm's management has inter alia considered the results of the annual regulatory inspections by the Audit Inspection Unit ('AIU'), the Quality Assurance Directorate ('QAD') and other regulators in reaching this opinion.

7. MONITORING OF QUALITY CONTROL

The last completed visit of the firm by the AIU took place in the period from July 2010 to November 2010. The firm received the final copy of their report on 26 July 2011. The AIU's Public Report setting out the principal findings arising from the inspection in respect of the two years to 31 March 2011 is available on the FRC website (www.frc.org.uk).

The last review visit by the QAD of the ICAEW took place in May 2011. The visit was a 'year 2' visit and the QAD carried out the following work:

- Updated their understanding of the firm and its procedures since the 2010 visit
- Followed up our responses to their 2010 report
- Reviewed our new methodology and the findings arising from our internal cold review in 2010.

The next visit will be in 2012 and will include a cold review of audit files.

8. PUBLIC INTEREST ENTITIES

A list of public interest entities as at 21 September 2011 is set out below. Public interest entities are defined in the Statutory Auditors (Transparency) Instrument 2008 as ‘an issuer

- a) Whose transferable securities are admitted to trading on a regulated market; and
- b) The audit of which is a statutory audit within the meaning of section 1210 of the Companies Act 2006.’

Audit clients listed on an EU regulated market:

888 Holdings Public Limited Company
Abbeycrest plc
Allied Gold plc
Amey Lagan Roads
Anglo Eastern Plantations PLC
Blacks Leisure Group plc
Castings PLC
Corin Group PLC
Derwent London Plc
European Prime Real Estate No 1 plc
Fordgate Commercial Securitisation No 1 plc
Funding for Homes Ltd
Game Group PLC, The
Gresham Computing Plc
Hargraves Hale AIM VCT 1plc
Hargraves Hale AIM VCT 2 plc
Haynes Publishing Group plc
IP Group Plc
JUTURNA (EUROPEAN LOAN CONDIUT NO 16) PLC
KG Bidco Limited
Law Debenture Corporation
London and Quadrant Group
London and Stamford Property Plc
MORPHEUS (EUROPEAN LOAN CONDUIT NO 19) PLC
MWB Group Holdings plc
OIM plc
Pacific Quay Finance plc
Parity Group plc
PartyGaming Plc
PERSUS (EUROPEAN LOAN CONDUIT NO 22) PLC
PICTS PLC
Quadrant Housing Finance Limited
Radamantis (European Loan Conduit No. 24) plc
Randgold Resources Limited
Snowdonia Securities
Sopheon Plc
The Cayenne Trust plc
THE NARBOROUGH PLANTATIONS PLC
Titon Holdings plc
TRIAD GROUP PLC
Triton (European Loan Conduit No.26)
Ulysses (European Loan Conduit No.27)
WHITE CITY PROPERTY FINANCE PLC

9. INDEPENDENCE

In relation to independence, the firm has detailed internal guidance setting out the policies and procedures designed to meet the principles and the requirements of the Auditing Practices Board's Ethical Standards. This guidance is complemented by training programmes targeting the needs of the individual partners and staff.

These policies and procedures cover, inter alia, our relationships with audit clients, rotation of audit partners, fees and the provision of non-audit services to audit clients. They meet, and in many instances exceed, those that are promulgated by the APB Ethical Standards, IFAC Code of Ethics for Professional Accountants and the ICAEW Code of Ethics.

Internal review of independence practices

A review of independence practices has been conducted via processes of internal review as part of a series of monitoring and review activities, including:

- An annual declaration undertaken by all partners and staff, a sample of which are reviewed by RMU. All exceptions are reviewed and investigated by RMU.
- Audit file quality control reviews examining a selection of audit files on an annual basis as explained in section 6f.
- Regular and ad hoc monitoring activities targeting specific aspects of audit independence.

In response to the publication of the Auditing Practices Board's Revised Ethical Standards in December 2010, the firm's policies and procedures have been extensively reviewed and updated, where required.

A summary of the firm's key policies and procedures relating to independence are set out below:

Integrity, objectivity and independence

If the partner identifies threats to the firm's objectivity, including any perceived loss of independence, they should identify and assess the effectiveness of the available safeguards and apply such safeguards as are sufficient to eliminate the threats or reduce them to an acceptable level. If the partner concludes that any threats to the firm's objectivity and independence cannot be reduced to an acceptable level then the firm should not accept or continue to provide that service to the client.

Audit engagement partners are required to communicate to those charged with governance on a timely basis of all significant facts and matters that bear upon the auditor's objectivity and independence. Internal guidance is available detailing the matters which should be included in such communications for non-listed and listed clients.

The relevant partner is responsible for the identification of conflicts. Client side checks involve a review of the firm's systems which may be supplemented by an email to the Conflict of Interest group and/or publication on the firm's intranet. These additional methods are also used to identify 'other sides' where relevant. Responses to the proposed project partner are required within a specified time period if there is a potential conflict. There is also a facility to perform conflict checks confidentially using RMU as an independent facilitator.

Where we are being asked to work cross border BDO's International Liaison manager sends an email to the International Liaison Partners ('ILP') in the relevant countries. The ILP circulates the details to their conflict of interest email group with responses going directly to the UK prospective project partner. Incoming conflict enquiries from member firms are circulated by the International Liaison manager around our conflict of interest mail group.

When a conflict is identified, RMU assists with conflict resolution, if required. Solutions are tailor made to each situation. Where appropriate we seek informed consent and if required ensure that teams, the location of those teams and servers used for the work are kept separate. Chinese

walls and the use of a wall partner are other tools used to manage conflicts. Where a conflict cannot be managed to the satisfaction of all parties then we decline to act.

Financial, business, employment and personal relationships

The firm has policies in place that prohibit partners, staff and members of their immediate family holding a financial interest in an audit client or an affiliate of an audit client.

Partners, staff and their immediate family may only enter into business relationships with any of the firm's clients or their affiliates where they:

- Involve the purchase of goods and services from the client in the ordinary course of business and on an arm's length basis and which the value involved is not material to either party or
- Are clearly inconsequential to both parties.

Employment relationships are rare and approval procedures are in place before any such situation can be established.

Partners and staff members should report to the Ethics Partner where any member of their immediate family or close family, or anyone with whom they have a personal relationship, has an involvement with an audit client which they consider might create a threat to the firm's objectivity or a perceived loss of independence.

The annual declaration process seeks confirmation from partners and staff that the firm's policies surrounding financial, business, employment and personal relationships have been complied with. A sample of annual declarations is reviewed by RMU. All exceptions are reviewed and investigated by RMU.

Long association with the audit engagement

The firm's policies are in accordance with Ethical Standard 3 (Revised October 2009) Long association with the audit engagement ('ES3') notably that:

- The audit partner on a listed audit client rotates after five years except in exceptional circumstances, as noted in ES3, where rotation can be extended to occur after seven years. Where an extension of the rotation period occurs additional safeguards will be put in place and approval for the extension will be obtained from the Ethics Partner
- For non-listed audit clients, the audit partner will normally rotate off the audit after ten years.

The rotation of audit partners is centrally monitored by TSG

Fees, remuneration and evaluation policies, litigation, gifts and hospitality

Ordinarily contingency fees are not allowed for any project where the firm will, as any part of that project or any other project, be required to give an independent opinion. The firm's relationship risk review requires project partners to consider the impact of the prospective project's fees on the partners' portfolio.

The firm's appraisal, promotion and remuneration processes for audit staff specifically exclude objectives related to selling non-audit services to audit clients.

In accordance with The Bribery Act, which is effective from 1 July 2011, partners, staff or anyone who performs services for or on behalf of the firm are not permitted to agree to anything that an informed reasonable third party might perceive to be a bribe. The firm has specific policies regarding situations where a bribe might occur - gifts, hospitality and expenses, facilitation payments, political contributions, charitable contributions, sponsorship, commission payments, commission receipts and recruitment.

Partners, staff and their immediate family members may only accept a gift, favour, or other personal material benefit from clients (or clients' officers or employees) or introducers of work to the firm or any other organisation or individuals including suppliers to the firm who may benefit or be seen to benefit from their relationship with the firm if it satisfies the criteria set out in the firm's gifts policy.

The annual declaration process seeks confirmation from partners and staff that the firm's policies surrounding gifts and hospitality have been complied with. A sample of annual declarations is reviewed by RMU. All exceptions are reviewed and investigated by RMU.

Non-audit services provided to audit clients

The firm's relationship risk review form is completed for all new clients and projects. In respect of all non-audit services, the form includes a section for approval by the audit engagement partner to ensure that the audit engagement partner (or their delegate) is informed about any proposed engagement to provide a non-audit service to the audited entity or any of its affiliates and that he or she considers the implications for the auditor's objectivity and independence before the engagement is accepted.

The provision and approval of non-audit services is also specifically reviewed at an engagement level as part of the firm's annual audit file quality control reviews which involves examining a selection of audit files as noted in section 6f. Findings from this process are presented to the Risk Committee.

In addition to their own national code of ethics, all BDO Member Firms are required to comply with, and annually report as to their compliance with, the IFAC Code of Ethics.

10. WHISTLEBLOWING

The whistleblowing policy has been designed to ensure that partners and staff members deal responsibly and in the interest of all concerned in the event of any malpractice within the firm.

By disclosing any information, a partner or staff member will not be treated any differently by the firm. The firm will attempt to ensure that there is no victimisation or harassment as a result of any disclosure and any appropriate disciplinary action may be taken against another staff member in breach of this.

Wherever possible, the firm will discuss in confidence the disclosure of information and protect the identity of anyone disclosing information and investigate the matter thoroughly. Any action taken as a result of whistleblowing will be dependent on the nature of the concern, and dealt with as the firm deems appropriate.

Under our policy it is a requirement that all incidents be reported to the Head of Risk and Quality who will make an annual report on incidents to the INEs.

The firm would wish to deal with any disclosure internally by following its internal procedures. If however, an individual remains concerned about an internal investigation, and reasonably believes that the appropriate action has not been taken, then he/she should report the matter to the proper authority.

If an external contact of the firm has any concerns they would like to raise, they should contact the firm's Head of Risk and Quality in the first instance. Concerns can be raised verbally and/or as a written statement. All concerns will be taken seriously and investigated and escalated as appropriate.

11. CONTINUING PROFESSIONAL DEVELOPMENT

We are committed to developing and maintaining the highest possible standards of technical competence through our own development programmes.

We have developed an audit curriculum providing technical training for our professionals throughout their careers with learning outcomes designed to further develop our audit professionals' judgement and scepticism skills. For all new audit professionals, there is an intensive orientation programme covering the firm's audit approach, tools, policies and procedures and its organisational structure. New lateral hire audit staff and partners receive a similar programme of training appropriate to their role within the firm.

All qualified audit staff, including managers and partners, are provided with annual update courses in auditing and accounting and reporting matters, some of which is mandatory to certain populations of partners and staff and voluntary for others, depending on their business focus and own professional development needs. Additional training is also provided by key sectors within the audit stream with further support and guidance (including training) being provided to local offices by TSG. These courses are complemented by on the job coaching which provides a significant aspect of their professional development.

All staff members are personally responsible for keeping up to date with the knowledge and skills which they need to successfully carry out the roles to which they are assigned. Technical newsletters and circulars and on-line technical training is provided to assist staff.

As part of an individual's performance development review, initial and continuing professional development needs are assessed and courses, online support tools, workshops or other learning and development opportunities are identified. Performance development reviews reinforce the firm's emphasis on lifelong learning and the continued development of skills and attitudes in respect of professional judgement and scepticism. The firm requires participation in appropriate continuing professional development programmes and monitors the fulfilment of programme obligations. All qualified audit staff are required to achieve a minimum of 50 hours of mandatory structured continuing professional development each year.

12. FINANCIAL INFORMATION

Stream Analysis of National Turnover*	2011 Turnover £m	2010 Turnover £m
Audit	91	92
Business Restructuring	42	53
Corporate Finance	34	35
Forensic Services	36	31
Tax	80	83
Investment Management	7	18
	290	312

Audit and non-audit clients	2011 Turnover £m	2010 Turnover £m
Revenue from Audit Clients	139	143
Revenue from Non-Audit Clients	151	169

Audit clients	2011 Turnover £m	2010 Turnover £m
Audit Revenue From Audit Clients	91	92
Non-Audit Revenue From Audit Clients		
- Business Restructuring	1	1
- Corporate Finance	9	11
- Forensic Services	5	5
- Tax	33	34

Stream analysis of group operating profit	2011 £m	2010 audited £m
Audit	24	28
Business Restructuring	12	20
Corporate Finance	4	8
Forensic Services	8	5
Tax	27	28
Investment Management	(1)	(1)
Unallocated	(9)	(23)
	65	65

Note: Unless stated otherwise, all disclosures above are unaudited

* Including our Belfast Firm which operates under a licence.

Audit comprises statutory audit work and directly related services.

The stream analysis of operating profit is stated after charging direct costs and central overheads where these can reasonably be allocated to the streams. Direct costs comprise employment costs (including internal recharges for work performed cross stream) and other costs incurred directly within the streams; central overheads that are deemed to be attributable to streams are allocated prorata on the basis of headcount, revenue or floor space occupied.

13. PARTNER REMUNERATION

Members' profit shares

Profits are shared among all partners under a framework set out in the Members' Agreement. From 2 July 2010 the Leadership Team has been responsible for allocations and these are considered on an annual basis. They are based on a fixed first tranche, plus a second tranche based on the points held by each individual partner. There is provision to make payments for exceptional performance or severance payments.

A number of criteria are used in assessing the performance of each partner. These include delivering an outstanding and integrated service to clients, technical excellence, quality and risk management, growing and developing our people, contributing to the firm's financial success and growing our brand and reputation. Partners are subject to annual performance development reviews which include online 360 degree feedback from staff and peers and feedback on the quality of the relevant partners work. Audit partners are not remunerated by reference to the sale of non audit services to their audit clients.

Capital and drawings

All partners are equity partners and share in the profits and subscribe the entire capital of the firm. Each partner's capital subscription is linked to their share of profit. The rate of capital subscription is determined from time to time depending on the financing requirements of the business.

The policy for partners' drawings is to distribute the majority of profit during the financial year, taking into account the need to maintain sufficient funds to settle partners' income tax liabilities and to finance the working capital and other needs of the business. The Leadership Team sets the level of partners' monthly drawings and reviews this at least annually.

APPENDIX A: AUDIT FIRM GOVERNANCE CODE STATEMENT OF COMPLIANCE

In accordance with Audit Firm Governance Code ('the Code') principle E.4: Governance Reporting we make the following statement with regards to the application in practice of each of the principles of the Code on which we are required to report.

BDO LLP complies with the principles and provisions of the Code.

LEADERSHIP

A.1 Owner accountability principle

Decisions made by the Leadership Team are reviewed by the Partnership Council. There are specific matters which are reserved for the decision by the Partnership Council and certain matters which are reserved for decision by all partners.

Our Transparency Report gives further details on the Leadership Team, the Partnership Council and other governance structures.

We have formal processes for on-going performance evaluation of the firm's governance structures and management team and their members.

A.2 Management principle

The Leadership Team provides strategic and operational leadership to the firm.

VALUES

B.1 Professionalism principle

The Leadership Team and the whole firm are committed to quality work, the public interest and professional judgement and values. Along with the firm's management, the Head of Risk and Quality reinforces the appropriate 'tone at the top' by instilling professional and ethical values in the firm.

We have an internal code of conduct which employees are expected to comply with. More details on our values can be found at www.bdo.uk.com/about-us/internal-values.

B.2 Governance principle

In our Transparency Report for 2010, we welcomed the publication of the Audit Firm Governance Code ('the Code'). In 2011, we remain committed to the Code and have made changes to our detailed structures and governance procedures to meet the spirit and the requirements of the Code.

B.3 Openness principle

Our culture of openness encourages consultation with experienced partners and other specialists where appropriate in order to achieve quality outcomes that properly take into account the public interest.

INDEPENDENT NON-EXECUTIVES

C.1 Involvement of independent non-executives principle

We appointed Independent Non-Executives ('INEs') in July 2008.

At BDO public interest matters are considered by the Leadership Team not a separate body set up to meet the requirements of the Code. Since 1 October 2010, the Leadership Team meetings have been chaired by Lesley MacDonagh, one of the INEs. Our Risk Committee is chaired by Lord David Currie, the other INE.

The INEs met separately during the year to discuss matters relating to their remit under the Code.

Our Transparency Report gives further details about the INEs appointment, duties and the support available to them.

C.2 Characteristics of independent non-executives principle

Our INEs comply with the same independence requirements as our partners and employees.

They have sufficient experience and expertise to command the respect of the partners. Biographical details of our INEs are given in our Transparency Report.

C.3 Rights of independent non-executives principle

The INEs have formal contracts covering their duties. They are also covered by our professional indemnity insurance and have sufficient resources to undertake their duties including having access to independent professional advice at the firm's expense, if needed.

We have formalised the procedures by which fundamental disagreements between the INEs and the firm are resolved. Further details of the procedures are given in our Transparency Report. Where ultimately the disagreement cannot be resolved and results in the resignation of the INE they have the right to report this resignation publicly.

OPERATIONS

D.1 Compliance principle

We have policies and procedures in a series of manuals and internal online guidance designed to ensure that we comply with professional standards and applicable legal and regulatory requirements.

Our procedures for managing potential and actual conflicts of interest are explained in our Transparency Report.

We welcome independent inspection of our audit process and the findings and observations from these inspections assist us in achieving our shared objective of improving audit quality.

D.2 Risk management principle

This has been a key area of development for the firm in 2010/11. During the period, we established an internal audit function for the firm. Our Transparency Report includes:

- Further details on the internal audit function's activities
- Confirmation that the firm has reviewed the effectiveness of its system of internal control, along with a summary of the process applied
- Confirmation that necessary actions are being taken to remedy weaknesses identified from the review and testing.

D.3 People management principle

We have policies and procedures in place for managing people across the whole firm that support our commitment to professionalism, openness and risk management.

Lesley MacDonagh, one of our INEs, provides support on the firm's people agenda with a particular focus on diversity, potential partners and succession planning.

D.4 Whistleblowing principle

The firm's whistleblowing policy has been designed to ensure that partners and staff deal responsibly and in the interest of all concerned in the event of any malpractice within the firm. Under our policy it is a requirement that all incidents be reported to the Head of Risk and Quality who will make an annual report on incidents to the INEs.

Further information on our whistleblowing policy is given in our Transparency Report.

REPORTING

E.1 Internal reporting principle

Our Leadership Team, Partnership Council, Audit Committee and Risk Committee are supplied with information in a timely manner and in a form and of a quality appropriate to enable them to discharge their duties. Agendas and relevant papers are sent out well in advance of upcoming meetings.

E.2 Financial statements principle

We publish annual audited financial statements prepared in accordance with UK GAAP.

E.3 Management commentary principle

Our annual report and accounts include a commentary by management on the firm's financial position, performance and prospects.

In accordance with Code Provision E.3.1, in the annual report for 2010/11 the firm's management commentary will include details of our principal risks and uncertainties, identifying those related to litigation, and report how they are managed in a manner consistent with the requirements of the applicable financial reporting framework.

E.4 Governance reporting principle

This statement forms the required statement under E.4.

Our Transparency Report for the 52 weeks ended 1 July 2011 includes those disclosures required by Code Provisions A.1.2, A.1.3, C.2.1, D.1.3, D.2.2 and D.2.3.

E.5 Reporting quality principle

The Audit Committee meets with the external auditors and management to provide a forum for the external auditors' reporting. Each year the Audit Committee seeks reassurance from the external auditors of their independence and objectivity. It assesses and monitors their independence in line with the ICAEW publication 'Reviewing auditor independence: guidance for Audit Committees'.

DIALOGUE

F.1 Firm dialogue principle

We recognise that dialogue between audit firms and shareholders is an important feature of the Code. Representatives of the firm have met informally with representatives of listed companies and their shareholders throughout the year and this dialogue is expected to continue through more formal meetings. Once dates and arrangements for meetings are decided information will be published on the firm's website in accordance with Code Provision F.1.1.

APPENDIX B: LEADERSHIP AND GOVERNANCE MEETING ATTENDANCE IN THE YEAR ENDED 1 JULY 2011

Number of meetings held		Leadership Team	Partnership Council	Audit Committee	Risk Committee
		12	11	4	4
Name	Position	Number of meetings attended			
Simon Michaels	Managing Partner	12	10		
Mark Sherfield	Chief Operating Officer	11		4	4
Jeff Jones	Head of Regions	11			
Gervase Macgregor	Head of Advisory	9			
Paul Eagland	Head of Audit & Tax	10	9		
Lord David Currie	Independent Non-Executive	10			4
Lesley MacDonagh	Independent Non-Executive	11			
Dermot Mathias	Senior Partner (Retired 30/09/2010)	3	3		
Simon Bevan	Senior Partner (Appointed 1/10/2010; Retired 19/05/2011)	10	10	3	
Mark Bomer	Senior Partner (Appointed 20/06/2011)	1	10		
Stuart Bosley	Audit Partner (Resigned from Partnership Council 30/09/2010)		2		
Roger Buckley	Corporate Finance Partner		11		
Richard Citron	Tax Partner (Appointed to Partnership Council 15/11/2010)		11		
Graham Clayworth	Audit Partner Chair of Audit Committee		9	4	
Russell Field	Audit Partner		11		
Angela Foyle	Tax Partner		9	2	
Chris Grove	Corporate Finance Partner		7		
Gary Hanson	Audit Partner		11	4	
Terry Jones	Tax Partner		10		
Dermot Power	Business Restructuring Partner		11		
Martha Thompson	Business Restructuring Partner		11		
Matthew White	Audit Partner		9	4	
Martin Kaye	Head of Risk Management (Retired 31/08/2011)				4
Chris Clarke	Head of Internal Audit				4
Simon Brooker	Audit				4
Tony Nygate	Business Restructuring				4
Brent Wilkinson	Forensic				4
Graham Elsworth	Corporate Finance				3
John Willmott	Tax				4



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