



ansteybond

CHARTERED ACCOUNTANTS
BUSINESS ADVISORS

Transparency Report

2023

www.ansteybond.com

Index

Introduction	2
Background	3
Legal Structure and Ownership	3
International	3
Governance and Ethics	3
Internal Quality Control Systems	4
Continuing Education and Learning	5
Quality Monitoring	6
Public Interest Entities	7
Independence Policies and Procedures	7
Key Audit Partner and Staff Rotation	8
Financial Information	8
Remuneration of Partners	8

Introduction

The Anstey Bond LLP Transparency Report 2023

This Transparency Report is for the year ended 31 March 2023 and has been prepared to meet the requirements of Article 13 of the EU Audit Regulation (537/2014), which was incorporated into UK domestic law by Section 3 of the European Union (Withdrawal) Act 2018.

The year has been a year of growth for the firm with several significant achievements for the firm. Firstly, we welcomed Jeremy Chivers as a senior tax partner and Timothy Coles and Robert Ellis, as partners in the audit and accountancy departments. Secondly, we have obtained our registration as Public Interest Entity auditors through the transitional process of the Financial Reporting Council and have implemented ISQM(UK) 1 by the implementation date in December 2022. Both Timothy and Robert have trained and qualified with the firm and have made the transition from senior managers to partners and are now looking to become registered Responsible Individuals of the firm for audits.

In addition to the partnership changes, we also welcome four new employees who are looking to train with the firm either under the ICAEW or ACCA routes. The firm as a Training Firm will continue to support and encourage our trainees to help them become qualified accountants. We have found that the disciplines of the training and continuous monitoring by peers within the firm ensures that all teams are exposed to the ongoing training required for individual continuing practice development and Ethical standards required by the business world and which is part of Anstey Bond LLP as a firm.

The results of both our internal and external Quality Assurance Review have been positive for the firm and demonstrate that we have acknowledged areas where we could improve and through training and audit team meetings have applied our learning to our audit procedures. It is our focus to continue to improve our audit quality on an-ongoing basis.

With further developments of the firm in the forthcoming year I would like to thank all members of our Firm for a tremendous effort in the past year and very much look forward to developing our whole practice further with full support from the Team. It is the team effort that makes this firm a professional firm our clients are proud of for its audit quality and professional standards which we promote.

Colin Ellis

Senior Audit Partner

7 September 2023

Background

Anstey Bond LLP (the firm) is a limited liability partnership registered in England and Wales.

The firm is registered firm of Chartered Accountants and Business Advisers with two offices in the Southeast of England, London, and Guildford.

This is the first Transparency Report produced by the firm and covers the year to 31 March 2023.

Legal Structure and Ownership

Anstey Bond LLP is owned by the Partners of the firm.

At the date of this report the firm has six partners, two of which are Responsible Individuals and actively sign audit reports.

The firm is registered to carry out audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales (ICAEW). The firm is also a registered training office for the ICAEW.

International

Anstey Bond LLP is neither a member of an international network nor an international association of audit and accountancy firms. The partners continue to monitor this position as the firm grows.

Governance and Ethics

The firm's constitution is in the form of a partnership agreement. All partners in the firm are automatically part of the Management Team. The partners are responsible for the firm's system of quality control and for the development and implementation of the policies and procedures with respect to governance and Ethics.

The partners meet at least quarterly and constantly considers any development or guidance that is issued by the regulators. The Audit Committee meet at least quarterly to discuss current audit matters and findings and if considered necessary to discuss qualifications on audit reports. In addition to audit matters there is always a discussion on trainees and their development and the compliance with the Ethical Standards the firm promotes. Should there be any issues that need to be considered more urgently a meeting can be called at very short notice.

Internal Quality Control Systems

Culture and leadership

The firm promotes a strict adherence to the quality control policies and procedures of the firm as set out in the firms Quality Control Manual.

The Partners have ultimate responsibility for the quality control and systems of the firm. The audit quality control rests with the Responsible Individuals of the firm.

The firm has quality procedures for the audit work that is carried out and training of employees (the team) is carried out in training sessions and on assignment training.

Leadership is always from the front and driven by the partners, the lead by example principle is adopted in all areas of the firm.

Ethical Considerations

Michael Whyke is the firms Ethics Partner and has the responsibility to oversee the development and implementation of ethical policies. Any issues that arise are referred to the Ethics Partner who will consider whether the policies and procedures have been followed and determine if existing policies are robust enough to protect the situation under review.

The Ethics Partner is responsible for managing the ethical policies and procedures of the firm and ensuring that any required changes are implemented as determined by the ICAEW's Code of Ethics and the FRC's Ethical Standards. This is monitored on a continual ongoing basis to ensure the firm adopts any changes in the guidance issued under the Code of Ethics.

Audit methodology and performance

Policies and procedures exist to comply with the International Standard on Quality Management (UK) 1 (ISQM1).

The firms audit software used during the year was CCH and the underlying ISA compliant methodology has been provided by Mercia. The firm continues to use these products to date but a decision has been made to move to using a different audit software in the current year. All team members receive extensive training on all audit software.

The audit work performed is carried out by identifying the risks at the planning stage for each audit client each year and amended if necessary for any findings that arise from the audit work. Interaction and discussions with the client is encouraged at all levels and stages of the audit, with a focus on known risks of the clients at the planning stage and highlighted risks during the course of the audit. Open reporting to the Responsible Individuals and client audit managers is encouraged at all levels, with open team discussions held at the planning and finalisation stages of the audit. All files are reviewed by Responsible Individuals after the formal audit manager reviews and prior to sign off the audit.

Acceptance and Continuance

As part of the Onboarding process a strict risk assessment is undertaken before the firm can accept a new audit client. This process identifies any ethical, technical or resource issues which would preclude the firm from accepting the appointment.

Risk acceptance of existing audit clients is performed at the start of any audit assignment and again at the end to ensure the firm complies with the Code of Ethics it is working under.

Human Resources

Recruitment and development of employees is under the strict control of Claudia Rowell and is a fundamental part of the firm.

The directive for recruitment will be confirmed by the management team after consideration for requirements to achieve the firms expected growth levels. Recruitment will be focused on the requirements of the different levels of employees required.

Statement on the effectiveness of the firm's internal quality control system

The Management Team are satisfied that the firm's system of quality management is effective in all material respects.

Continuing Education and Training

It is a fundamental keystone of the firm that as a professional office we have a policy that all employees undertake continuing education and training relevant to their position in the firm. All professional employees must have previously complied with their relevant professional body, but the firm is implementing an updated policy because of the new ICAEW requirements around continuing professional development (CPD). Colin Ellis, Senior Partner, is the firms qualified person responsible for training (QPRT) and has taken responsibility for implementing the new requirements for CPD of the ICAEW for the firm.

Training and CPD takes many forms including in-house training, research, webinars and external courses. The external courses are generally run by external training providers and our regulators being the FRC and the ICAEW. These courses are focused in the relevant areas with the ethics and professional scepticism training being extremely appropriate for the audit teams along with focused training on the requirements PIE audits and International Auditing Standards.

For professional employees, bi-annual 360 employee reviews are undertaken to include a review of individual CPD summaries which are discussed with the individual to ensure they are covering the required areas. Each employee has been responsible for their own CPD planning and development profile.

Quality Monitoring

Audit culture and behaviours

The firm is committed to the highest standards of audit quality. The firm underpins this by audit team meetings to share findings from internal and external reviews. These meetings identify how as a firm we are to continue to improve our systems and polices and these are then implemented throughout the firm by all team members.

Within the firm there are open communication channels at all levels with any issue or concerns from professional scepticism being openly discussed with the appropriate individual. Once the issue has been resolved the firm will then review the situation and ask if the firms systems need to be amended to capture the issue that has arisen.

Regulatory inspections

As with all firms regulated by the ICAEW the firm is subject to periodic Quality Assurance Directorate visits by the ICAEW. The latest review took place in Q4 of 2021. The visit reviewed three audit files. The results of the reviews were graded one as Improvement Required, one as Generally Acceptable and one was a Focused Review.

Internal monitoring – Public companies

The firm has two public interest entities for which audits were performed in this review period and will in the following year be under the remit of the FRC's Audit Quality Review (AQR) regime. Our Independent reviewer for listed company audit work is Totteridge Associates Limited who perform a hot file prior to our signing of the audit reports for listed companies. Results of our reviews are shared with the audit team and our learning applied to future listed audits.

Internal monitoring – Private companies

The firm outsources the internal monitoring of our private limited company audit files to an independent third-party consultant SBM Associates Limited. The results of these cold file reviews are shared with the audit teams appropriate corrective actions are agreed and followed. Areas where improvement are noted are highlighted and become part of the on-going learning program of the firm.

In April 2023 the independent reviewer performed a follow up review of the following years file identified by QAD as improvement required. The reviewer commented "The firm continues to make further progress and show improvements in its audit documentation. It is clear they take on board the points raised during the QAD inspection". The conclusion is that the firm only requires limited improvements on this file for the firm to fully comply with International Standards on Auditing (UK).

Public Interest Entities

During the year under review the firm completed the audit of two public interest entities as follows:

Net Zero International Plc

Electric Guitar Plc

The firm applied to become a PIE Registered Auditor under the transitional rules of The Public Interest Entity (PIE) Auditor Registration Regulations which came into effect on the 5 December 2022. The firm's application was approved on 6 January 2023.

Independence Policies and Procedures

Independence as an Auditor is a fundamental Ethic of the firm and strict policies and procedures have been developed to ensure this is the case in all audits undertaken by the firm. The policies and procedures ensure that the firm comply with the requirements of the ICAEW's Code of Ethics and the FRC's Ethical Standard.

Michael Whyke is the firms Ethics Partner and is responsible for ensuring all employees achieve the ethical objectives identified under the Code of Ethics and procedures. The firm maintains a full register of involvement of all RI's and Senior employees involved in audits to identify any threats to the firm's independence. The details relating to each audit are also contained in the individual audit files.

Before acceptance of any audit assignment the firms onboarding processes will identify if there are any threats or risks to the to the firm's independence. At the planning and completion stages, we confirm and consider with all employees of the firm if they are aware of any risks to our independence.

The assessment of independence during each audit assignment includes consideration of potential conflicts resulting in various types of threats. Key to this is the threat to the firm's independence arising from the provision of non-audit services to audited entities. Appropriate safeguards are implemented and discussed with those charged with governance where non-audit services are provided. The firm does not provide non-audit services to its one public interest entity audited entity.

Key Audit Partner and Employee rotation

In accordance with the Ethical Standard the engagement partner and other senior employees are rotated after five years involvement in the audit of public interest entities. There is a cooling off period of at least two audit cycles before the engagement partner may return to the engagement.

For all audit engagements, which are not public interest entities, the firm considers the need to rotate the engagement partner after ten years. In exceptional circumstances, where rotation is deemed not necessary then appropriate safeguards are implemented.

Financial Information

The firm's revenue for the year ended 31 March 2023 can be analysed as follows:

	2023	2022
	£'000	£'000
Revenue from statutory audit work relating to public interest entities	24	-
Revenue from statutory audit work	385	343
Revenue from non-audit services provided to other entities that are audited by the firm	209	259
Revenue from non-audit services to other entities	997	926
Total Revenues	1,615	1,528

Remuneration of Partners

Remuneration of Partners is determined by reference to the role and responsibilities undertaken. Remuneration is further determined by an allocation of profit share on an agreed formula by the Management Team.