

TRANSPARENCY REPORT

This report has been prepared in accordance with the Transparency Reporting requirements set out in the Statutory Auditors (Transparency) Instrument 2008. These requirements were drawn from Article 13 of Retained Regulation (EU) No. 537/2014 (“Article 13”).

The report covers the firm’s year ended 31 March 2024 and in accordance with the Transparency reporting requirements sets out our legal structure, our governance structure our internal quality control systems, together with other matters as recorded within the instrument.

Legal structure

Pointon Young is a limited liability private company in England & Wales (registration no 08000645), the firm operates from offices in Birmingham and Stratford upon Avon, but also has a market office in London.

As at the date of this report, there are two principals of the firm, whom between them own 100% of the company’s issued share capital. One principal is a member of the ICAEW, and one principal is a member of the Association of Chartered Certified Accountants (ACCA). Both principals are audit responsible individuals.

Pointon Young is registered by the Institute of Chartered Accountants in England and Wales (ICAEW) to carry out audit work in the UK. Our registration is detailed at www.auditregister.org.uk and our reference number is C003175017. During the period covered by this report, Pointon Young was engaged as an auditor for two public interest entity clients and as a result are subject to further monitoring by the Audit Firm Supervision (AFS) Department of the Financial Reporting Council (FRC).

Network affiliation

Pointon Young is not affiliated with any national or international network.

Governance structure

Pointon Young is governed by its two principals who are responsible for the day-to-day decision making, strategy, managing risk and implementing policies of Pointon Young. The principals meet on a monthly basis to discuss overall management of the firm, consider risks and to keep track of the strategic roadmap.

Internal quality control system

The firm complies with the International Standard on Quality Management (UK) (ISQM), via our established policies and procedures through the System of Quality Management (SOQM) We fully recognise and support the importance of audit quality which is reflected in the firm's culture and ethos. The principals lead the business by example and are responsible for the maintenance and enhancement of the SOQM.

The firm's Audit Compliance Partner (ACP) has overall responsibility for quality control. The ACP is responsible for the development, documentation, and communication of SOQM matters throughout the firm. At least annually, the ACP will assess the firm's quality control procedures, considering feedback from both internal and external reviews. Once completed, the findings are reviewed by the firm's principals and corrective actions taken if required.

The firm utilises the audit methodology and procedures manual from Mercia, a long established and reputable supplier, which is made available to all staff via cloud based secure logins.

The audit manual sets out our robust assurance reviews, in which cold file reviews are completed to ensure every Responsible Individuals (RI) work is reviewed at least annually. These reviews are completed by either an internal independent audit RI or externally.

An Engagement Quality Control Review (EQCR) is carried out by an independent RI for all such situations:

- All listed audit clients
- Modified audit opinion
- Long RI association
- High risk and / or complex assignments

Acceptance and continuance of client relationships and specific assignments

The firm is committed to providing the highest quality service, before accepting a new client we carry out a number of procedures which include:

- Assessing the client business, potential risks, industry sector, areas of specialism, ensuring that the principals and staff have the appropriate skills and knowledge to undertake the assignment
- KYC and AML checks
- Consideration of conflicts of interest
- Obtaining and understanding for the decision / reasons for the change in statutory auditors

Consideration and compliance with Ethical Standards are documented at the outset and throughout each audit assignment.

Engagement performance

The Firm adopts the Mercia audit methodology and documentation manual to ensure compliance with International Standards on Auditing (UK). The manual is updated at least annually, and all staff are required to attend Audit and Accountancy update courses throughout the year, which are provided by Mercia.

All PIE audit clients are required to have an independent RI assigned as an Engagement Quality Control Reviewer; we also use an external cold file reviewer to select a sample of audit files for review on an annual basis.

The firm's principals are satisfied the firm's system of internal quality control is operating effectively which enables ongoing audit quality and compliance.

Independence practices

Pointon Young maintains internal policies and procedures to ensure independence from its clients and to ensure staff act ethically and with integrity and objectivity.

Our independence is assessed at both the planning and completion stages of all audit assignments. Where independence threats are acknowledged as a result of the provision of non-audit services, long association or due to a perceived higher risk, either an internal or external quality control hot review is completed.

At least annually, and upon commencement of employment all staff and principals are required to declare their independence, confidentiality, and fit and proper status. The audit compliance partner reviews all responses.

Quality assurance reviews

Pointon Young are subject to external monitoring visits. The firm was last visited by the Quality Assurance Directorate (QAD) of the ICAEW in September 2021. The QAD's summary findings noted that they were "satisfied that Pointon Young is committed to achieving good quality audits. Pointon Young invests in comprehensive audit training and appear to have established appropriate procedures adequate for the firm's audit profile."

The firm's two public interest audit clients, which are listed on the London Stock Exchange will be reviewed by the Financial Reporting Council's AFS Team. The firm's Aquis clients will continue to be reviewed by the QAD.

Public interest entities

During the year ended 31 March 2024, Pointon Young carried out statutory audits on the financial statements of the following public interest entities, being

- Pristine Capital Plc (formerly More Acquisitions Plc)
- Becket Invest Plc

Continuing professional development

All our qualified staff are required to undertake continuing professional development (CPD) to ensure they maintain their technical skills and knowledge. The firm ensures that all qualified staff undertake relevant CPD training including audit training and development. Pointon Young utilises Mercia to deliver compliance and values-based training to all technical staff, via technical courses throughout the year to maintain a high standard of their technical knowledge in audit, accounts, and taxation.

The CPD programme also covers specialist areas as well as non-technical courses to enhance soft skills.

All staff have an appraisal meeting at least annually, this meeting would cover and consider individual training needs / further development, with an action plan developed as required.

Remuneration of principals

The firm's principal's remuneration is not calculated by reference to the selling of non-audit services to audit clients. Both principals of Pointon Young are also shareholders of the firm and will receive dividends by reference to their respective shareholding percentage. A decision regarding annual dividends is agreed by the principals based on financial performance and working capital requirements for the firm.

Key audit partner and staff rotation

Our audit compliance manual describes the circumstances in which the audit engagement RI, EQCR and other key audit staff should be rotated away from an audit engagement. We can therefore confirm that the firm complies with the audit RI and key audit staff requirements of FRC's Ethical Standard.

As part of our audit planning processes and annual reporting to the ICAEW, the firm monitors the number of years that principals and other senior staff have acted on audit engagements. In instances where an audit RI has held the same role for 10 years or more (but neither Ethical Standards nor our audit compliance manual requires rotation), safeguards are implemented to ensure our independence is maintained. As part of our audit planning process, these safeguards are communicated in writing to those charged with governance.

Financial information

The transparency regulation requires certain financial information to be provided in the firm's Transparency Report. For the year ended 31 March 2024 the turnover of Pointon Young Limited included the following:

Revenues from:	£000
The statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity	30
The statutory audit of annual and consolidated financial statements of other entities	92
Non-audit services to other statutory audit entities	12
	134

POINTON YOUNG

31 July 2024