
TRANSPARENCY REPORT

2012 – 2013
United Kingdom



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INTRODUCTION

We are pleased to present the 2012-13 transparency report for Mazars in the United Kingdom.

Mazars is a global integrated partnership providing professional services in the areas of in audit, tax and advisory services to businesses, not for profits, governments and individuals. As of 31 August 2013, Mazars is present in 71 countries around the world, with more than 13,500 highly qualified professionals. Our consolidated turnover for the year 2012-2013 is €1,013M, a year-on-year increase of 5.9%.

For several years, Mazars has published a Group annual report including IFRS financial statements audited by joint independent auditors, and our transparency report supplements this group report.

A YEAR OF SOUND FINANCIAL PERFORMANCE

The financial year 2012-13 saw Mazars in the UK maintain a strong and encouraging pace of growth, with a rise in turnover to £120.4m, representing an increase of 5.1%. We attribute our success to an uncompromising commitment to the highest levels of client service, combined with a sharp focus on innovation and a deep-rooted belief in the importance of attracting and developing the very best people.

We expect to see further significant growth in our business as market conditions improve and we continue to focus on building on existing strengths in our core markets: financial services (in particular banks and insurers); other large corporate and public interest entities; public services; owner-managed businesses, and private clients.

PUBLIC RESPONSIBILITY: AT THE HEART OF OUR BUSINESS

The financial crisis exposed a fundamental separation between business and society. They are part of an intricate and fragile ecosystem – one which needs to be finely balanced in an increasingly global and interdependent world. Our global community makes Mazars unique in the marketplace. We understand the complexities facing a modern, global business, and are committed to making our society one where people with strong ethics and values drive strong, quality relationships, equal opportunities for all and societal progress.

In a tangible expression of these underlying principles, Mazars this year formally launched a major new initiative, *Business in Society*, to consider the key issues that need to shape the covenant between business and society across Europe in the 21st century. Key stakeholders involved in the initiative include investors, board members and regulators as well as NGOs, special interest groups and those involved in political life. A discussion paper was launched at the European Parliament in January, followed by an event in London. The considerable positive response has allowed us to begin developing a practical framework that can be used by boards, investors and others to determine their approach to business.

Mazars' leading role in the development of global, definitive standards for human rights reporting and assurance (building on the work of the UN Working Group on Business and Human Rights), is a clear example of the *Business in Society* ethos at work in our own business.



AN INDEPENDENT VOICE ON THE ISSUES THAT MATTER

We continued to contribute actively to discussions centred around the recently completed UK Competition Commission's investigation into the FTSE 350 audit market, and have also been participating in the debate on audit reform at a European level.

The Centre for Audit Committee and Investor Dialogue, a joint initiative between Mazars and leading institutional investors launched in 2012, met formally four times in the 2012-13 financial year, attracting senior board members from across the FTSE 350 and several senior representatives from leading investors. Topics covered included improving communication between audit committees and investors, implications of the new UK Corporate Governance Code and tax planning.

Mazars is wholeheartedly committed to playing its full part in the opening up of the audit market for FTSE350 and other listed companies in the UK and would encourage companies to invite it to submit a proposal when they put their audit out to tender. Similarly, it would urge institutional investors to promote the creation of an open vibrant audit market by ensuring 'challenger' firms such as Mazars are given a fair chance to become auditors of FTSE350 and other listed companies.

COMMITTED TO OUR COMMUNITIES

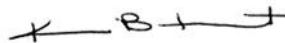
At a local level, engaging with and investing in the communities within which we operate has always been a fundamental to our values. Our approach to corporate responsibility includes each team member having the opportunity to take a 'Mazars Day', out of the office, where they undertake work on social or environmental projects local to their office. This year has also seen the firm take a leading role in the launch of the 'Careers that Count' initiative, alongside the ICAEW and the City of London Corporation and other major accounting firms, promoting careers in the accountancy profession to those from less advantaged and non-traditional backgrounds in schools and colleges.

A POSITIVE OUTLOOK

During the forthcoming year, we will continue to focus on making a tangible difference to our clients and wider society by undertaking high quality work in assurance and other areas and doing so in a manner which offers unparalleled client service. In this way we will build a growing and sustainable business where our people thrive and our values endure, and which plays an active role in the support and development of our communities.



Phil Verity, Senior Partner



Kim Hurst, Standards & Risk Management Partner

United Kingdom, 30 November 2013



01

*“A unique integrated
partnership model”*

I. MAZARS DESCRIPTION

Mazars is an international, integrated and independent organization specializing in audit, advisory, accounting, tax and legal services. As at 31 August 2013, the Group operates in 71 countries, and draws on the expertise of 13,500 professionals to assist companies – major international groups, SMEs, private investors – and public bodies, at every stage in their development. Mazars also has correspondents and representative offices that give the capacity to serve clients to the same high quality standards in a further 14 countries. Based on an innovative, personalized reading of their expectations and their challenges, Mazars offers clients a range of services guaranteeing reliability thanks to our recognized technical expertise. We also provide the benefit of creating value and optimizing their performance. In a multipolar world, Mazars believes that collective intelligence is the source of the most appropriate solutions, and we harness the talents of all our teams in driving a dynamic of progress which, beyond our clients, is a benefit for all.

1.1 Mazars in the United Kingdom

1.1.1 Legal structure and ownership of Mazars LLP

The UK firm of Mazars is part of the Mazars worldwide organisation presented in Section 1.2. The structure of Mazars internationally and its relationship with the UK firm is governed by agreements at two levels.

Firstly, 73 of UK partners are shareholders in Mazars Scrl. The shareholders in Mazars Scrl elect the Group Executive Board (GEB) and Group Governance Council (GGC), approve the addition of all new shareholders and share a proportion of their profits.

Secondly, the UK Mazars firm as an entity has a “co-operation agreement” with Mazars Scrl which sets out the terms of the relationship between Mazars Scrl and the firm.

Mazars in the UK operates as a Limited Liability Partnership (LLP). Mazars LLP and its subsidiary companies provide a full range of professional services including audit and assurance, tax advisory and compliance, business advisory and accounting, actuarial, forensic and investigations, corporate recovery and insolvency and financial planning for private individuals.

As of 31 August 2013, Mazars had 108 partners and over 1,288 employees working in 16 UK offices.

1.1.2 Governance structure


Our governance structure is designed to create a culture of openness and accountability.

The UK Executive Board has responsibility for setting Mazars’ national strategy, within the framework of the international strategy.

The UK national partnership is managed by the Senior Partner, who is elected for a three-year period. Any UK partner is able to put themselves forward for the position. Once nominated, the Senior Partner (Phil Verity, as at the date of this report and appointed in September 2012) then nominates other partners to become members of the Executive Board. The choice of Senior Partner, whose candidacy having been submitted for the consideration of the Nomination Committee and the GEB, is decided by a vote among the UK partners. The UK Executive Board currently comprises the following members:

- Phil Verity (Senior Partner);
- Tim Davies;
- Alistair Fraser;
- Nigel Grummitt;
- David Herbinet;
- David Smithson; and
- Glyn Williams.

As of 31 August 2013, there were six Management Units: Four of these cover geographical areas – North, Central, South, and London; and the other two are sector focused – Insurance and Banking.



These Management Units are responsible for managing results, developing growth strategies and supporting our people.

They are also responsible for balancing short-term profitability and long-term strategy.

The firm's business is divided into three service lines, which operate on a national basis – Audit & Assurance; Tax and Advisory.

Each service line is responsible for setting the service line strategy; quality, standards and risk management; talent management and development, technical training, business model definition and implementation; and innovation.

The Audit & Assurance Service Line operates through a national Head of Audit and an audit leader in each Management Unit. The Head of Audit is responsible to David Herbinet, the member of the Executive responsible for the service line.

In meeting its obligations for quality, the service line focuses on emerging issues and how they will affect the firm, approves policies in the areas of audit and assurance quality and agrees the quality control programme and planned actions arising from the quality control review findings and recommendations.

The Governance Council reviews the process for setting the strategy and budgets. It also approves the process for the appointment and remuneration of partners, ensures the Executive has appropriate management structures in place and has identified, and is managing, major risks. It also encompasses the Audit Committee, made up of three members of the Governance Council and attended by one member of the Executive.

The members of the Governance Council were elected by the partners in 2012 for a three year term and at 31 August 2013 comprised the following members:

- Tim Hudson (Chair);
- Jac Berry;

- Richard Bott;
- Mark Grice;
- Greg Hall;
- John Holroyd;
- Lorraine Olley; and
- Rod Weston.

Lorraine Olley was elected as a member of the Governance Council with effect from May 2013 following the retirement from the partnership of Pam Dawes.

The Audit Firm Governance Code requires us to state the names, job titles and biographical details of members of the firm's governance structures and its management team. These details may be found in Appendix 1.

1.1.3 Governance code

Mazars in the UK has voluntarily committed to applying the Audit Firm Governance Code published by the Financial Reporting Council and the Institute of Chartered Accountants in England & Wales. This report discusses how we have implemented some of the provisions of the Code, including those specifically required to be disclosed in the transparency report. We currently comply with most of the provisions of the Audit Firm Governance Code and aim to be fully compliant by 31 August 2014.

Independent non-executives

Denise Fletcher and Francois de Carbonnel, two independent non-executives as allowed for under Mazars' constitution, were appointed to the Group Governance Council at the General Assembly of Mazars Scrl in December 2011 for a period of one year and reappointed at the General Assembly in December 2012. Brief biographies are provided in Appendix 1.

A key element of the role of the independent members of GGC is to enhance the confidence of clients' shareholders in the public interest aspects of the firm's

decision-making, stakeholder dialogue and management of reputation risks.

In terms of criteria for assessing their independence, the independent members of GGC are not, and will not become, an executive director or member of the audit committee of any of the firm's audit clients and do not have any significant shareholdings or other interests in them.

Dialogue

Mazars maintains regular contact with those involved in governance at leading institutional investors.

A meeting for institutional investors and their representative organisations was held in November 2013, following on from a similar meeting in November last year. Francois de Carbonnel and Denise Fletcher, the independent members of the Group Governance Council (GGC) who are also the members of its Public Interest Committee, participated in the meeting in November 2013.

The meeting provided an opportunity to discuss the business performance of the firm in the UK and for investor participants to raise firm-specific issues with regards to matters covered by the Audit Firm Governance Code. It also enabled the independent members of the GGC to discuss their role in the firm and to answer any questions on it. There was also a general discussion on current issues related to audit reform at the meeting.

Mazars is also willing to engage in dialogue with individual investors on matters covered by the Audit Firm Governance Code and a teleconference meeting was held with an institutional investor in October 2013 in which the independent members of GGC participated.

In addition, Mazars participates from time to time in multi-firm meetings with institutional investors and, as discussed in the introduction, Mazars and three institutional investors- Hermes, Railpen and USS- have established the Centre for Audit Committee and

Investor Dialogue which held four events during the year.

Performance evaluation

In 2012 a review was undertaken of the effectiveness of the Governance Council. In 2013 a follow up mini-effectiveness review of the Governance Council is being undertaken along with an effectiveness review of the Executive. These reviews are in progress at the end of November. The reviews are being facilitated by a partner who is not a member of the Executive or Governance Council.

1.2 Mazars at an international level

Since 1995, Mazars has been building a unique form of integrated partnership that is the basis of a truly democratic organization and remains faithful to the values and beliefs professed and defended by its founders.


Our democratic partnership gives each partner the right to vote on strategic decisions involving the future of the partnership, an idea central to Mazars' principles and practices.

We established an integrated international partnership with the principal objective of guaranteeing consistency in the quality of our service to clients.

1.2.1 Presentation of Mazars SCRL

Institutional integration

The Mazars organization is comprised of all the member entities who have signed a cooperation agreement with Mazars Scrl, a Limited Responsibility Cooperative Company headquartered in Belgium, which itself has no professional activity, and whose shareholders are partners in the member entities. In this respect, they are the only owners of Mazars' capital. The mission of Mazars Scrl is to define the strategic objectives of the organization and to coordinate the implementation of these objectives at the member firm level. The organization also has the specific responsibility of promoting and protecting the Mazars brand throughout the world.



Once appointed, all Mazars partners sign a contract that allows them to transfer their interests only to parties approved or designated by Mazars Srl. The shares in member entities can, in principle, only be owned by the partners of Mazars Srl. The consolidated financial results of Mazars Srl include those of the member entities and are prepared in compliance with IFRS standards (IFRSs) and are jointly audited by two independent auditors, BDO and Crowe Clark Whitehill.

The Group Executive Board (GEB), elected directly by the partners, assumes ultimate responsibility for the framework of the Mazars organization. Mazars is not simply a collection of national firms, but an integrated organization of professionals sharing growth goals, commitments to investment and technical excellence, bearing risks and sharing profits.

Operational integration

In order to serve our clients globally and in the best way possible, Mazars has developed an international, homogenous and integrated approach to the markets in which the Group operates.

To this end, Mazars is structured internationally around two main market sectors - Public Interest Entities (PIE) and Owner Managed Businesses (OMB) as well as two other professional service lines dedicated to Tax and Law respectively, and four Global Support Units (GSUs), which help develop the group's activities. All four PIE, OMB, Tax and Law business units, as well as the four support units, are represented at the Group level through Global Business Units (GBUs) and Global Support Units (GSUs), and at the national level through Country Business Units (CBUs) and Country Support Units (CSUs).

The main responsibility of the GBUs is to define the overall strategic market vision, to monitor and support implementation at country level and to ensure the Group's operational efficiency. In this sense, the GBUs are accountable for overall strategic delivery (i.e. growth and profitability). The GSUs collaboratively support our business for the benefit of our clients in

areas such as policies, information systems, and talent management.

Mazars is structured in such a way as to ensure the alignment of the countries, the GBUs, the GSUs and the Group. All our integrated entities' Senior Partners or Managers and global unit leaders come together in periodic meetings, which take place at least three times a year.

The integrated international partnership permeates every aspect of the Mazars organization:

- Each global or international assignment is managed and carried out by an integrated team and coordinated by an engagement partner in charge who takes final responsibility for reporting to the client.
- Every global business unit is represented in each country where the organization operates in order to optimize the coordination of assignments and cross border relations between teams.
- Partners and the national member entities in which they work are linked by a series of agreements intended to achieve maximum consistency within the Group. They all report to the elected representatives of the Group.

All the entities of the Mazars integrated international partnership are thus committed to enhancing the quality of services provided to large, cross-border groups in an increasingly complex and global environment.

1.2.2 Governance of Mazars Srl

During the Annual Partners Conference in December 2012, the Group elected for a four-year term its governance platform. Based on a combination of experience and the balanced allocation of responsibilities, the governance platform provides a stable foundation for the long-term implementation of the Group's strategy, thus meeting the major internal and external challenges identified by Mazars:

- strengthening the Group's organic growth and managing cross-disciplinary operations with the Group Executive Board (GEB)
- dedicating experienced resources to strategic issues with the Global Strategic Committee (GSC)

- introducing independent members within the Group Governance Council (GGC) in order to meet the most demanding standards in terms of supervision
- organising succession to a new generation of leaders.

The management of the member entities of the Mazars organization is the responsibility of their respective Country Executives.

Group Executive Board (GEB)

The Group Executive Board (GEB), directly elected by the partners, assumes ultimate responsibility for the framework of the Mazars organization. The GEB works under the supervision of the Group Governance Council (GGC), which decides on the remuneration of the GEB members. It is comprised of 3 to 9 members appointed by the General Assembly of Partners for a four-year term, according to a 2 step process: the election of the Chairman; then the Election of the other members on the basis of the elected Chairman's proposition.

The Group Executive Board, whose term expires at the end of 2016, is currently comprised of six members:

- Philippe Castagnac, Group CEO, Chairman of the GEB
- Antonio Bover, co-CEO
- Hervé Hélias, co-CEO
- Hilton Saven, co-CEO
- Phil Verity, co-CEO
- Victor Wahba, co-CEO

The GEB meets two to three times per month and meets with Country Executives at the Country Forums. The GEB is supported in its day-to-day tasks by the leaders of the Global Business Units (GBU) and Global Support Units (GSU).

Global Strategic Committee (GSC)

In a demanding environment that requires a global player like Mazars to strengthen the strategic tools that are key to its long-term growth objectives, Mazars calls on the expertise of the Global Strategic Committee (GSC). The Group Executive Board and Group Governance Council have delegated responsibility to this committee for strategic issues related to the

Group's development. Its role is to identify and oversee merger and external growth operations that fulfill the policy of expanding the Group's international coverage and service offerings, as well as making an active contribution on behalf of Mazars to the profession and the market. Its proposals are discussed with the GEB and submitted for decision to both the GEB and GGC, then ratified by the General Assembly of partners.

The GSC reinforces Mazars' governance platform as it is comprised of the most experienced resources in the Group. It has four members:

- Patrick de Cambourg, Chairman of the GSC and the GGC
- Douglas A. Phillips, Vice-Chairman of the GSC and the GGC
- Philippe Castagnac, Group CEO
- Michel Barbet-Massin.

Other internal and external contributors will be invited gradually to participate in the work of the Global Strategic Committee.

Group Governance Council (GGC)

The Group Governance Council (GGC) exercises a general supervisory function over the management actions of the GEB, decides or jointly decides on certain matters (for example: validating merger, acquisition or sales operations, or projects with significant impact on the Group...), and reports to the General Assembly of partners. The GGC meets at least once every four months. It is composed of 8 to 16 members appointed by the General Assembly of partners for a four-year mandate, with the introduction in December 2011 of two external independent members. One GGC member also chairs the Audit Committee.

The GGC, elected in December 2012, is currently comprised of 14 members:

- Patrick de Cambourg, Chairman of the GGC
- Kenneth Morrison, Vice-Chairman of the GGC
- Douglas A. Phillips, Vice-Chairman of the GGC
- Thierry Blanchetier
- Kathryn Byrne
- François de Carbonnel*
- Anita de Casparis
- Simone Del Bianco
- Mohamed Ali Elaouani Cherif

- Denise K. Fletcher*
- Patrice de Folleville
- Tim Hudson
- Jean-Louis Simon
- Kathleen Robison

**External members*

Country Executives

Country Executives have the responsibility of managing the member entities and leading local business on a daily basis, within the framework established by the Organization and in terms of the strategic and operational coordination they provide. They are elected by the partners of the member entity, their candidacy being subject to the agreement of the GEB.

Partners General Assembly

The General Assembly of partners is held at least once a year within six months following the closing of the accounting period and is a pivotal point in the governance and decision making processes of Mazars Scrl. It is at this meeting that, collectively, the Mazars partners elect the governing bodies (every four years) and approve the major strategic directions and operations of the Group, the admission of new partners and the Group's yearly audited financial statements.

1.2.3 Mazars' worldwide presence as of 31 August 2013

Mazars serves its clients throughout the world via:

- integrated member entities in 71 countries
- non-integrated entities in 14 countries.

Non-integrated entities are correspondents of Mazars SCRL or country local correspondents. Representative desks/offices are often limited in terms of the scope of services offered.

While the member entities constitute the integrated partnership, the non-integrated entities constitute the Mazars network. They are all committed to the risk management policy described in Section 2 of this report.

Furthermore, Mazars (including all its integrated entities) is one of the founding members of Praxity, an international alliance of Independent Firms created in 2007 as a non-profit-making International Association regulated under Belgium law (AISBL). Praxity is present in 89 countries. Chosen after a thorough self-evaluation process, participating Praxity firms deliver state of the art accounting services and in-depth local knowledge as well as a collective commitment to quality and ethical accounting solutions. In line with the Praxity vision that one size does not fit all, firms join the alliance under one of three classifications: member firm, associate firm and correspondent firm. Mazars is a member firm of Praxity.

Through Praxity, Mazars is able to serve clients in 18 additional countries.



02

*“High quality standards
throughout the world”*

II. MAZARS' QUALITY ASSURANCE AND RISK MANAGEMENT POLICY

The Group Executive Board of Mazars takes overall responsibility for internal quality control and the carrying out of a periodic review of its effectiveness. The GEB is supported by the Technique and Innovation Global Support Unit (T&I GSU).

This Technique and Innovation Global Support Unit:

- defines the quality assurance system and procedures that all business and management units must implement in order to meet the defined principles. These standards are presented in the Mazars Quality Assurance Manual and Risk Management Manual, both of which constitute the benchmark for all integrated entities
- supervises the monitoring of the quality assurance system alongside the GEB. This monitoring is organized by an International Quality Control Committee (IQCC), which relies on globally coordinated inspections to monitor the firm's compliance with the International Standards on Auditing (ISAs), the IFAC Code of Ethics and the International Standard on Quality Control (ISQC1). Each year there is a follow-up of the action plans that have been drawn up jointly with the Mazars firm's Risk Management and Quality Leaders and approved by the Managing Partners. There is also a review of each member firm's own annual self-assessment and of the results of their internal and national external quality assurance reviews.

Each member entity's management is responsible for the implementation of the quality assurance system. They must promote the Mazars' internal culture of quality and reinforce this culture with clear, consistent and frequent messages and initiatives. They must remind all levels of the existence of the quality assurance system and underline the importance of respecting legal and regulatory obligations, particularly with regards to the professional code of ethics and professional standards of practice when accepting and carrying out new assignments.

The Mazars quality assurance and risk management policies are based on the standards of the International Federation of Accountants (IFAC). The Mazars policies

are available online and regularly updated to reflect changes in regulations.

Mazars is a member of the Forum of Firms and, since 2007, has annually declared that the organization meets the membership criteria set forth by the Forum. These criteria are as follows: the implementation of a global quality control program and the application of the IFAC Code of Ethics and ISAs to all transnational audits.

Formally established in 2002, the Forum of Firms quality label, is borne by international networks of accounting firms that perform audits of financial statements that are or may be used across national borders, and that commit themselves to promote worldwide auditing best practices in order to raise the standards of the international practice of auditing in the interest of users of the profession's services. The Forum of Firms' positive and structured role is regularly recognized by international stakeholder organizations and national and international regulatory bodies.

Mazars is actively involved in the IFAC with a strong presence on three of its boards and committees:

- The International Ethics Standards Board for Accountants (IESBA)
- The Small and Medium Practices Committee (SMP)
- The Transnational Auditors Committee (TAC), executive committee of the Forum of Firms.

2.1. Independence

As of 31 August 2013, Mazars is the legal auditor of approximately 500 listed companies in the 71 integrated and 14 non-integrated countries where Mazars serves its clients.

Maintaining independence is of the utmost importance to audit firms.

2.1.1 Mazars' independence practices

The Mazars' Code of Conduct for Objectivity and Independence

In order to form a basis for the widespread adoption of the Group's core values, Mazars has adopted a Code of Conduct for Objectivity and Independence (CCOI), which is in compliance with the revised IESBA Code, effective since 1 January 2011.

Each Mazars entity must compare its country's national rules with the measures contained in the CCOI, and communicate to the other member firms any national measures which are more restrictive. These measures are then documented as Country Specific Provisions (CSP).

Ethics form an integral part of the entities' professional training programs and the Code is distributed to all partners and staff.

Systems to safeguard independence

These systems involve the following:

- A procedure for acceptance and continuance of clients and engagements that enables an evaluation of the client's related risks, the entity's ability to perform the engagement and any ethical risks in terms of independence and global conflicts of interest. The provision of additional services to an audit client is subject to prior authorization from the lead group audit partner and, in some cases, the head of ethics. This provision is also subject to authorization by the client's audit committee, when required by auditing standards or when the client has put in place procedures for the prior approval of such services
- A complete list of non-audit services rendered to audit clients. For group audits, this list must be contained in the audit instructions sent out by the coordination team. These non-audit services are subject to a priori communication and a posteriori inventory and confirmation of independence by the group audit engagement team and the partner who signs the client group accounts
- An annual declaration of independence by partners and staff and a thorough review of any situations that could compromise independence. In this respect, neither Mazars partners nor their immediate family can hold a direct or indirect

financial interest in a listed assurance client of the organization. Personal or family relationships between a member of the audit team and a member of either the audited company's management or any person holding a key position in the audit are also prohibited. Lastly, all firms, partners and staff working on the audit engagement must not have any financial or commercial relations with an audit client beyond normal financial relations with a banking client

- Access for all in-house professionals to a list of clients subjected to specific ethical requirements
- Training for technical staff on ethical rules and the organization's ethical procedures
- Consultation with experts on technical matters, ethics and other areas
- Limits on client fees in order to avoid financial dependence on one or several clients
- Clear rules regarding conflicts of interest. Conflict checks are carried out at an international and national level. When there is a potential threat, either the assignment is refused, or appropriate safeguards are implemented
- A method of remunerating partners that takes into consideration the quality of the engagement and not only the level of fees billed, number of clients obtained, additional engagements performed, or financial performance.

The Ethics and Acceptance Committee, under the supervision of the T&I GSU Board, is responsible for considering any potential problems that are brought to its attention, reviewing any proposed departures from the CCOI by country and verifying that all changes in international ethical standards are taken into account by the organization.

The T&I GSU Board ensure that risk management procedures are in place and are monitored by each member entity.

Two-partner teams and rotation to strengthen both independence and services quality

Except in specific situations which are approved by the entity's Executive Committee, large engagements are placed under the responsibility at least two partners,

one of whom naturally assumes leadership of the engagement.

Having a team of partners strengthens independence and brings broader technical expertise to the engagement. The responsible partners assist with key stages of the engagement and remain the key contacts for all parties and professional staff, whether internal or external.

Within Mazars, rotation is applied to Public Interest Entity engagements on which key audit partners rotate after seven years and do not return to the audit team for at least two years, in compliance with the European Directive on Statutory Audit and the IESBA Code of Ethics. This rotation reduces the risk of “closeness” to the audited company which may impair independence. It enables the auditor to have greater independence of mind in dealing with client issues and in expressing opinions on financial statements. The allocation of partner responsibilities on recurring audit engagements and major special engagements is decided by the entity’s Executive Committee and ensures that partners have the ability to effectively conduct and supervise engagements under their responsibility. This allocation is reviewed annually as well as when there are any changes in the partner’s situation or when any difficulties have been encountered.

In the rare case of disagreements with the technical department’s positions, the Executive Committee is called upon to arbitrate. The two-partner team in charge remains the final decision maker within the context of the organization’s quality assurance and procedures. This point is of paramount importance in preserving each partner’s personal commitment and sense of responsibility as well as in responding effectively to each client’s specificities.

2.1.2 Statement on the effectiveness of the independence safeguard systems of Mazars LLP

The internal systems described above were established to identify circumstances where Mazars LLP’s independence could be impaired and to take appropriate safeguarding measures in these instances. The operation and effectiveness of these procedures form part of the quality control system review. Based on all the evidence collected, the management of Mazars LLP confirms, with a reasonable level of assurance, that the independence procedures and

practices have been implemented and the system is effective in maintaining independence. Furthermore, management confirms that the practices have been subjected to internal review.

2.2. UK Risk Management

Mazars LLP has an Enterprise Risk management framework, in accordance with the Turnbull principles.

The framework covers all areas of the business and is split into four distinct categories:

- Strategic/Corporate;
- Clients – Existing and prospective;
- Finance and operations; and
- People

During the year, the firm reviewed its strategy and one of the pillars of the revised strategy is a commitment to a strong focus on quality. In the light of the development of the revised strategy, the Executive is reviewing and enhancing its approach to quality and risk management

Supporting the four categories of risk set out above are thirty three separate areas of risk, each of which was assessed and evaluated. The design and operating effectiveness of the key controls in respect of each of the risks has been assessed and agreed with the Executive Board.

Tolerance levels for each risk are set by the Executive with significant input from the risk owner. Any risk considered to be operating outside these tolerance levels is identified and referred to the Executive for remedial action to be agreed and implemented.

The Executive Board reviewed the full risk register in March 2012. The register will be reviewed as part of the current project, referred to above, relating to quality and risk management.

2.3. Quality control system

The policies and procedures adopted by Mazars are in compliance with the IFAC’s quality control standards: ISQC1 “Quality control for firms that perform audits and reviews of financial statements and other assurance and related services engagements” and Revised ISA 220 “Quality control for an audit of financial statements.” These procedures are

documented in a Quality Assurance Manual available on the intranet.

These policies and procedures are complemented by audit methodology and support techniques which are shared among members of the Organization and by joint training initiatives. Specific audit software is in place, which has been developed to allow a structured audit approach in accordance with the most recent and comprehensive auditing standards (IFAC clarified standards, supplemented by national requirements).

Compliance with the organization's policies and procedures is regularly monitored through reports by the entities on the results of their internal and external quality control and through periodic quality assurance reviews by trained and experienced reviewers from other countries.

2.3.1 Internal quality control system

Maintaining quality

Quality of people: Our high standards require that we recruit highly talented individuals with the ability to take on ever-increasing responsibilities. Our ability to attract and retain talent is one of the key elements in maintaining these standards.

Mazars' strategy in terms of training (refer to section 4.4), counseling and compensation strongly emphasizes this high standard of audit quality.

As explained in our Quality Assurance Manual; the Quality Control System includes **policies and procedures** in the following areas:

- responsibility and leadership
- independence and objectivity
- audit policies and methodology
- acceptance and continuance of engagements
- human resources
- engagement performance, including
 - planning and supervision of engagements
 - technical consultation
 - audit documentation
 - independent review
- confidentiality
- quality control system supervision
- managing cross-border engagements
- complaints and allegations.

In order to improve the effectiveness and the relevance of the Quality Control System, these processes are regularly updated to encompass changes in international standards and the suggestions of users.

A Global Assurance Programme and internal inspections

Mazars has developed an international quality control system that applies to all the organization's entities, regardless of whether they are integrated members or correspondents.

Operationally, quality control at Mazars is managed by an International Quality Control Committee (IQCC) which reports to both the Group Executive Board and the T&I GSU Board.

Two types of quality assurance reviews are in place:

- a report including a self-assessment by the countries on their compliance with IFAC standards, supported by the results of internal and external quality control, and an action plan regarding the areas which have been identified for improvement. This report, which is called ReQAR (Report on Quality Assurance Review), covers aspects relating to audit methodology, ethics and the internal Quality Assurance and Control System;
- a periodic inspection called IQAR (International Quality Assurance Review), which is performed by trained and experienced Mazars reviewers from various countries.

Each reviewer prepares an action plan addressing the findings of the IQAR or the ReQAR. The action plan is submitted for approval to the entity's Executive Committee and the partners in charge of monitoring geographical zones are then informed of these action plans. Then, with the help of the IQCC, the partners follow up the implementation of the action plans.

Each year, Mazars entities critically assess their Quality Control System through a monitoring program involving an assessment of the adequacy and effectiveness of the entity's procedures and a review of the entity's engagement files. Each partner is reviewed at least every three years. The results of the engagement file reviews are taken into account when determining the partners' compensation.

Once a year, the entity communicates the results of the internal and external quality control reviews (ReQAR/IQAR/national overights and peer reviews) to partners and managers as well as the entity's Executive Committee. This communication is detailed enough to enable any necessary corrective measures, both at the entity level and with the partners in question.

As a minimum, this summary includes:

- a description of the procedures applied and of the scope of the quality control review
- conclusions of the reviews of the entity's procedures and audit engagements
- action plans, if required.

Entities that are candidates for admission into the Mazars partnership undergo a technical review by the IQCC. The quality control review report is included in the admission file submitted for approval to the GEB and the GGC before the partner vote. The report can be accompanied by an action plan which is monitored by the IQCC and the head of monitoring of the geographical region to which the new member entity belongs.

2.3.2 Statement on the effectiveness of the quality control system

Mazars became one of the first full members of the IFAC's Forum of Firms in January 2008 after reporting that it had implemented a globally coordinated quality assurance program and was committed to the use of International Standards on Auditing (ISAs) along with other specific ethical requirements.

Commitment to the obligations of membership in the Forum of Firms contributes to raising the standards of the international practice of auditing in the interest of users of the profession's services. In this respect, Mazars is committed to:

- maintaining quality control standards in accordance with the IFAC International Auditing and Assurance Standards Board's (IAASB) International Standards on Quality Control, relevant national quality control standards and, to the extent not prohibited by national regulation, regular globally coordinated internal quality assurance reviews

- implementing policies and methodologies based, as far as practicable, on the ISAs concerning the conduct of transnational audit assignments
- implementing policies and methodologies which comply with the IFAC Code of Ethics for Professional Accountants and applicable national ethical codes.

On the basis of its Quality Control monitoring conclusions, Mazars confirmed in December 2012 that it met the membership obligations of the Forum of Firms in all material respects.

2.3.3 Quality control at Mazars LLP

Quality control system

It is the firm's policy that the work of every Responsible Individual (RI) will be subject to independent review at least once every three years. These reviews are conducted by independent audit partners and managers and senior members of the Standards & Risk Management team who are all trained in this task. Focused ethics reviews are carried out by the Ethics Partner and Compliance Director. The RIs to be reviewed and any special areas to be targeted in reviews are agreed upon each year by the UK Head of Audit and the Audit Service Line leaders within each Management Unit who are charged with ensuring and promoting audit quality.

Files are selected on the basis of risk, including public interest, and reviewed using a standard checklist. Individual files are graded in terms of compliance and overall quality and a summary report and action plan is agreed with each RI. This report is taken into account in the partner performance review process and in decisions on partner remuneration.

A summary report is prepared at the end of the season of reviews and this is sent to the UK Head of Audit and the Audit Service Line leaders within each Management Unit who will review and approve the proposed actions to be taken in response to the findings therein. Action may include immediate remedial action, changes in the firm's guidance or additional training and support. The results are communicated to the firm's Executive.

Lessons learned are communicated to the business on a timely basis.

Non-audit service lines are subject to an equivalent internal quality review process. In addition, compliance matters are the subject of separate annual reviews covering the firm's compliance with regulations governing client money and money laundering, professional independence requirements and other statutory and regulatory matters.

On a cyclical basis, Mazars in the UK is subject to a review by the Mazars Group. The review carried out in 2012 showed that the UK is considered to have systems in place to comply with ISAs, the IFAC Code of Ethics and the provisions of ISQC1.

Effectiveness of the 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, work is performed to a consistently high standard and that reports issued by the firm are appropriate. The management of Mazars is content that the system is effective in the maintenance and improvement of audit quality.

They also consider the results of the annual external regulatory inspections in reaching this opinion.

Regulatory monitoring reviews

The firm has major audits which fall within the remit of the Financial Reporting Council (the 'FRC'). The Audit Quality Review team of the FRC issued a public report on Mazars LLP in May 2012 which is available on the FRC's website.

As a large firm auditing listed companies, Mazars LLP is reviewed also by the Quality Assurance Department (QAD) of the ICAEW each year. The last review was carried out in December 2012.

2.4. Our contribution to the standard setting process

We believe that the voice of the audit profession brings value to the standard setting debate. As a consequence, at the level of the Group, we are

committed to the improvement of financial reporting, corporate governance and overall confidence in the capital markets on a global level. For example:

- Mazars responds to consultations on a variety of topics including auditing, corporate governance, financial reporting and relevant regulation changes issued by professional bodies such as the European Commission, IFAC and its committees and boards, FEE, EAIG, PCAOB, IASB
- as stated above, Mazars takes part directly in international professional bodies such as the IFAC, FEE, ESMA, EFRAG, IASB.

Our professional staff receives regular training in both actual and potential regulation developments. This helps our audit teams to anticipate these changes and better serve their clients.

Our Mazars firms are also active in the professional accounting and auditing organizations present in their countries. In the United Kingdom, Mazars is represented by partners and senior professional staff in:

- Audit Quality Forum
- SME Implementation Group (SMEIG) of the IFRS foundation
- Technical and Practical Auditing Committee of the ICAEW
- ICAEW's Financial Services Faculty (Insurance)
- ICAEW's Financial Services Faculty (Banking)
- EFRAG Working Group for SMEs
- Corporate Governance and Financial Reporting Committees of the Quoted Companies Alliance (QCA)
- Audit Registration Committee of the ICAEW
- Audit and Assurance Faculty Committee of the ICAEW
- Institute of International Finance



03

“Listed clients audited by Mazars across all continents, spread across more than 60 markets”

III. CLIENTS

3.1. Service offering and turnover

3.1.1 Global service offering

As previously mentioned, Mazars' services fall into four global business units, two of which are focused on clients and two of which are defined by services. This structure is mirrored by each member entity.

The four Global Business Units are:

- **GBU PIE (Public Interest Entities)** covers statutory and contractual auditing as well as other advisory or compliance services mainly targeted to listed companies
- **GBU OMB (Owner Managed Businesses)** covers advisory and audit services for privately-owned companies of all sizes
- **GBU Tax** covers a complete range of tax advisory services
- **GBU Law** covers legal counseling in some countries.

The consolidated accounts of Mazars Scrl for the year ending 31 August 2013 will be submitted for approval at the General Assembly of partners on 14 December 2013. Once published, these accounts will be available on the Group website (www.mazars.com).

Turnover per Global Business Unit (€ million)		
	2011/2012	2010/2011
PIE	503.7	456.1
OMB	385.7	383.9
Tax	110.5	99.4
Law	13.5	17.3
TOTAL	1,013.4	956.7

3.1.2 UK turnover

The turnover of Mazars in the United Kingdom is £120.4 million for the year ended 31 August 2013 (£115.3 million for year ending 31 August 2012).

Mazars Turnover in the UK

	2012/2013	2011/2012
Audit including statutory audit & compatible services and other assurance services	44.4	41.3
Accounting & financial support	6.2	6.0
Specialized services*	69.8	68.0
Total	120.4	115.3

*"Specialized services" include the following: Transaction Services, Risk Management and Internal Control, Organization and IT Services and Actuarial Services.

3.2. List of public interest entities for which the firm has issued an audit report during the preceding financial year

3.2.1 Companies that have issued transferable securities admitted to trading on a regulated market

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from 1 September 2012 to 31 August 2013):

London Stock Exchange

Allied Domecq Financial Services Limited
Anglesey Mining PLC
CBO Investments Jersey Limited
Housing Association Funding PLC
Premiertel PLC
WM Treasury PLC

ICAP Markets

Hydro Hotel, Eastbourne, PLC

Irish Stock Exchange

Cathedral Capital Holdings Limited
CBO Investments Jersey Limited
Claris Limited
Claris 2 Limited
Claris III Limited
Ukraine Issuance PLC

3.2.2 Companies that have issued transferable securities admitted to trading on AIM and other markets

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from 1 September 2012 to 31 August 2013):

AIM quoted

21st Century Technology PLC
Access Intelligence PLC
Hunter Resources PLC
MCB Finance Group PLC
Northern Bear PLC
Pennant International Group PLC
Portmeirion Group PLC
Reabold Resources PLC
Taliesin Property Fund Limited
Tawa PLC
Top Level Domain Holdings Limited
Vatukoula Goldmines PLC

Other markets

ASIF III (Jersey) Limited
Cathedral Capital (Investments) Limited
Claris Limited
Claris 2 Limited
Max Two Limited
MCB Finance Group PLC
Natixis Structured Products Limited
Persia International Bank PLC

3.2.3 Credit Institutions (other than already stated in §3.2.1 and §3.2.2)

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from 1 September 2012 to 31 August 2013):

ICBC (London) PLC
Sonali Bank (UK) Limited

3.2.4. Insurance companies (other than already stated in §3.2.1 and §3.2.2)

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from 1 September 2012 to 31 August 2013):

Asta Managing Agency, Syndicate 2015
Atlantic Mutual International Limited
Beaufort Underwriting Agency Limited, Syndicates 318, 1318 and 2318
Cathedral Underwriting Limited, Syndicates 2010 and 3010
CX Reinsurance Company Limited
EC Insurance Holdings Limited
English & American Insurance Company Limited
Family Assurance Friendly Society Limited
Groupama Insurance Company Limited
Island Capital (Europe) Limited
KX Reinsurance Company Limited
London and Leith Insurance Company Limited
Metropolitan Police Friendly Society Limited
Moorgate Insurance Company Limited
OX Reinsurance Company Limited
Polygon Insurance Company (UK) Limited
Portman Insurance Limited
Sportscover Underwriting Limited, Syndicate 3334
Teachers Assurance Limited
Teachers Provident Society Limited
The Mediterranean Insurance & Reinsurance Company Limited
Typroth Limited
UIA (Insurance) Limited



04

“Building sustainable success requires a talent management policy across the whole Group”

IV. HUMAN RESOURCES

4.1. Quality through talent

We believe that the quality we bring to our clients and to the market is dependent upon the talent of our people. Several key areas form the backbone of our strategy for talent development:

- our culture
- our sense of commitment
- our diversity of talents;
- our transparent and effective assessment system

Based on our common values, management principles and fulfilling work environment, our talent management policy centers around three main principles:

- recruiting the most talented individuals
- developing long-term training, on both technical and managerial issues (refer to § 4.4. continuing education)
- offering attractive career opportunities, particularly internationally, within our fast-growing organization

All our professionals have clear objectives, receive feedback and regularly review their performance. Our Global Talent and Performance Management Program monitors our employees' development at all levels and in all Mazars countries. This program provides us with qualitative information on the expectations and competencies of our professionals which in turn allows us to gauge our progress towards our long-term development ambitions.

Every employee has their own role and their own chance to play a defining part in our success.

Mazars is strongly committed to enforcing the objectivity of our teams and the ethical conduct of our individuals. At Mazars, we strive to implement effective strategies that will place our firm on a morally sound path towards sustainable growth.

As a global organization, we recognize the importance of cultural interconnectivity and support the international development of our teams and firm leaders. Employees wishing to enhance their careers with an international experience may choose from a range of exchange programs, including strategic mobility opportunities, in which qualified Senior

Managers are placed on high-level projects ranging from three to five years in length, as well as permanent transfers. Short-term assignments are also available through the MOVE program, in which high-potential Seniors and Managers can work abroad on two to sixth month long projects. Both our short-term and long-term programs are essential to the flow of ideas between our 71 Mazars countries and support the firm's future global growth.

4.2. Professional and support staff

4.2.1 International staff

As of 31 August 2013, Mazars employs more than 13,500 people across 71 countries. This includes the 1,700 recruits that joined Mazars in 2012/2013.

4.2.2 Personnel in the United Kingdom

During the year 2012/2013, the average number of Mazars personnel in the United Kingdom amounted to 1,191 people (full-time staff).

4.2.3 Personnel dedicated to statutory audit in the United Kingdom

During the year 2012/2013, 444 professionals from all of the Mazars' offices in the United Kingdom and within all of the service lines were assigned to audit services.

4.3. Partners

4.3.1 Our partners on an international level

As of 31 August 2013, Mazars Scrl had a total of 750 partners in 71 countries.

4.3.2. UK partners

As at 31 August 2013 there were 108 partners in the United Kingdom.

4.3.3. UK partners dedicated to statutory audit

In 2013, 47 Mazars' partners and 3 employees had Responsible Individual status.

Mazars LLP is regulated by the ICAEW. Mazars' Responsible Individuals are members of the ICAEW, ICAS or ACCA.

4.3.4. Information concerning the basis for partner remuneration

Partners in Mazars Scrl are remunerated in equal proportion according to the performance of the national member entity to which they contribute, and to the overall performance of the Mazars organization.

At Group level, the partner remuneration measure is the “operational performance,” after the deduction of any unforeseen expenses such as litigation, which remains the sole responsibility of the national entity concerned.

Profits are shared between partners in proportion to the number of shares (or “base points”) they hold. Financing business activity depends exclusively on each national member entity and follows the same proportionality as the division of profits.

Several countries have also opted for a bonus system based on individual performance, the awards being withdrawn from a pot representing up to 12% of the profits of the country concerned.

Ratified by the Governance Council on advice from the Group Executive Board, base points are allocated every three years to partners according to the collective performance of their country and individual performance of each partner. This performance is assessed through various criteria: professionalism and technical contribution, importance and complexity of assignments, contribution to the general development of local entities and the Group, level of managerial responsibility, performance in financial management and partnership spirit. None of the criteria listed above is evaluated in isolation, with significant weight placed on technical competence and partnership spirit.

4.4. Mazars’ policy regarding the continuing education of statutory auditors

The Group considers its internal training program to be of strategic importance, not only due to its content (experience sharing and the updating of technical knowledge), but also because it is a key means of communicating professional conduct and ethics requirements to staff.

Each Group entity keeps a record of all the training courses attended by each partner and member of staff. This is done in order to ensure that each individual benefits from the complete training program and that the training received is in line with their responsibilities and work.

Each member entity’s training program must include a general syllabus to be followed by all audit staff and at each level. The objective of this program is to encourage each staff member’s development and expertise in auditing standards, accounting standards, auditing techniques and engagement management principles.

The program also includes a sector-specific syllabus, particularly for insurance, banking, the public sector and technology.

Audit professionals involved in transnational audits learn about the following subject areas concerning the local environment where the transnational audit is conducted:


- financial information and auditing standards
- group audit coordination of multiple locations
- the standards relevant to companies listed on the stock market
- corporate governance standards
- local and international economic and business environments.

The internal training program is enhanced with complementary external seminars which focus on client requirements or specific economic environments.

Internal technical meetings are held on a regular basis in order to raise awareness, share experiences on specific assignments and discuss topical issues.

Mazars University was created in 2008, with a threefold objective:

- to position Mazars as one of the key players in future markets
- to instill a focus on the Mazars values (Mazars Way)

- 
- to strengthen Mazars' commitment to social issues.

Mazars University coordinates all the Group-wide training and promotes the sharing of professional knowledge experience and best practices.

4.4.1. Statement of compliance with the professional training obligations in the United Kingdom

Mazars in the United Kingdom complies with the Continuing Professional Development (CPD) policies of the ICAEW, ICAS and ACCA which are, in turn, compliant with IES 7. Partners and all audit personnel have to make an annual declaration that they have complied with the relevant requirements.

Registered statutory auditors have to complete at least 120 hours or equivalent learning units of relevant professional development activity in each rolling three-year period, of which 60 hours or equivalent units should be verifiable. They also have to complete at least 20 hours or equivalent learning units of relevant professional development activity each year.

Mazars has established a professional education program which includes the organization and delivery of technical in-house and external seminars, the active involvement of professional staff in major national and international professional accounting and auditing organizations and the development of extensive opportunities for staff to attend technical seminars and conferences.



05

*“Serving in the public interest
across the five continents”*

V. UK PRESENCE

Birmingham

Brighton

Bristol

Cardiff

Durham

Edinburgh

Glasgow

Gloucester

Leeds

Liverpool

London

Manchester

Milton Keynes

Nottingham

Poole

Sutton



**MAZARS GLOBAL PRESENCE
AS OF AUGUST 31, 2013**

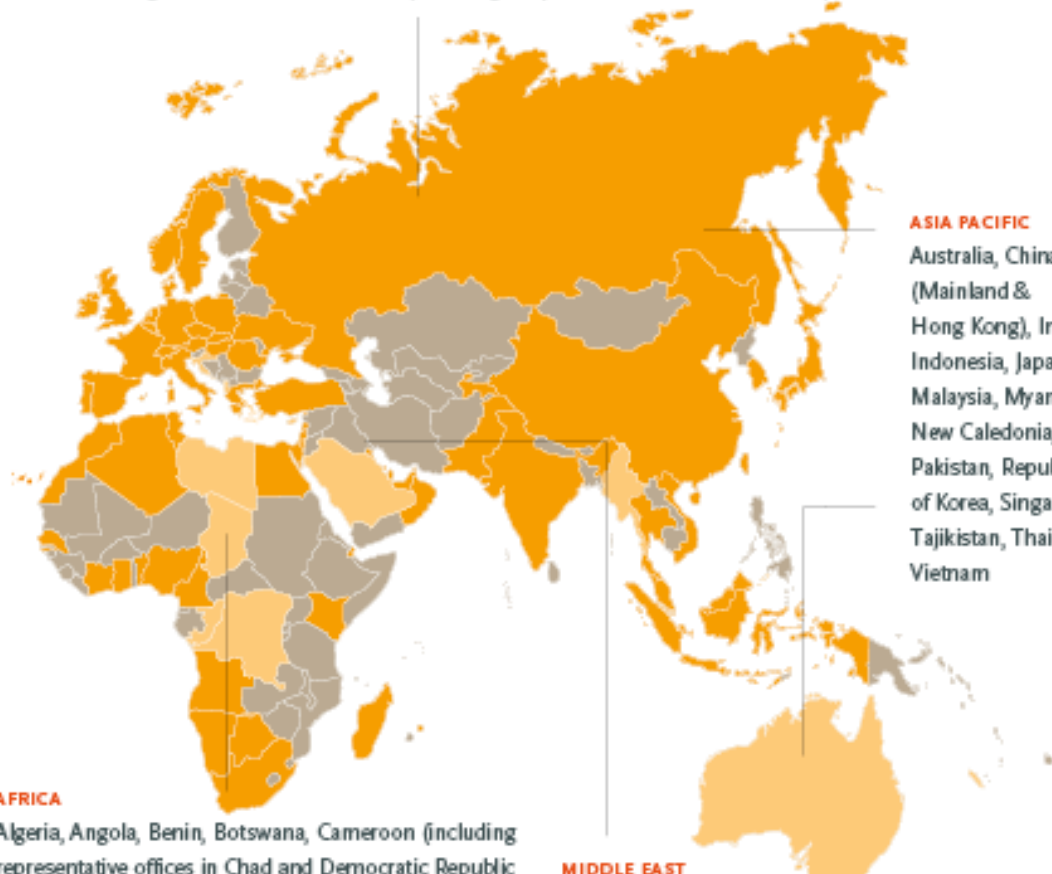


- Integrated countries
- Non integrated countries: Mazars correspondents and representatives



EUROPE

Albania, Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, France, Greece, Germany, Hungary, Ireland, Israel, Italy, Luxemburg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom and Channel Islands (including a representative office in Gibraltar)



AFRICA

Algeria, Angola, Benin, Botswana, Cameroon (including representative offices in Chad and Democratic Republic of the Congo), Congo-Brazzaville, Djibouti, Ghana, Ivory Coast, Kenya, Libya, Madagascar (including representative offices in the Union of the Comoros), Mauritius, Morocco, Namibia, Nigeria, Senegal, South Africa, Tunisia

MIDDLE EAST

Bahrain, Egypt, Kuwait, Lebanon, Palestine, Qatar, Saudi Arabia, Sultanate of Oman, the United Arab Emirates

ASIA PACIFIC

Australia, China (Mainland & Hong Kong), India, Indonesia, Japan, Malaysia, Myanmar, New Caledonia, Pakistan, Republic of Korea, Singapore, Tajikistan, Thailand, Vietnam

Appendix 1 - UK Executive, Governance Council and Audit Committee as at 31 August 2013

UK Executive

Name	Job Title	Biography	Date of appointment to the Executive
Phil Verity	UK Senior Partner and Head of OMB GBU	Phil Verity was elected as the UK Senior Partner from September 2012 and has been co-CEO of the Group since December 2012. He is responsible for the management of the Owner-Managed Businesses (OMB) activity within the Group. Phil is based in the London office and continues to be actively involved with key clients.	2010
Tim Davies	Head of Tax	Tim has been Head of Tax in the UK since February 2011. He is also a member of Mazars' Global Tax Board. As well as his management responsibilities, Tim provides tax advice to businesses and entrepreneurs and has particular expertise in complex corporation tax issues, shareholder planning and transaction tax.	2012
Alistair Fraser	Head of Talent	Alistair is the firm's head of Talent. Alistair trained with the firm, and has been a partner since 1999. He continues to work with clients as an audit and advisory partner. He particularly works with entrepreneurial businesses and charities.	2012
Nigel Grummitt	Head of Financial Advisory Services	Nigel heads up Financial Advisory Services in the UK. In particular, he leads on the provision of Forensic and Investigation Services both in London and nationally and is chairman of the group coordinating the provision of these services internationally.	2012
David Herbinet	Head of PIE CBU	David heads up Mazars' PIE team in the UK and is a key Mazars spokesperson particularly on issues affecting audit competition or audit quality. He acts as client service partner for some of our largest international clients with significant expertise in group audits and cross-border due diligence. David has extensive experience of businesses with complex, long-term contracts (Construction, PFI, Aerospace and Defence) and of the Technology and Media sectors.	2007



David Smithson		David is Mazars' UK Head of OMB. Specialising in non-listed businesses, he provides audit and accounting services, and advises on issues relating to mergers, acquisitions, disposals and general corporate finance activities.	2012
Glyn Williams	Head of Country Support Unit (CSU)	Glyn is the Chief Financial Officer and leads the UK Country Support Unit with responsibility for operational infrastructure and performance improvement. Glyn has been a partner in the firm since 1990 and has worked with a portfolio of audit clients and handled many forensic and investigation assignments.	2002

Governance Council

Name	Job Title	Biography	Date of appointment to the Governance Council
Jac Berry	Partner	Jac Berry is an audit partner and member of the UK Standards and Risk Management team, where her responsibilities include developing the UK firm's methodology in respect of audit quality. In addition she provides technical assistance at a UK firm level and sits on the international team developing the Mazars Group audit methodology.	2009
Richard Bott	Partner	Richard Bott is an audit partner and heads Mazars LLP's Corporate and Business Services Group in Bristol.	1999
Mark Grice	Partner	Mark Grice is a partner specialising in audit and advisory services to the insurance sector and is based in London.	2005
Greg Hall	Partner	Greg Hall, based in Milton Keynes, specialises in transaction services, and is Head of Financial Due Diligence. He also has an audit portfolio focussed around property and investment funds and is a member of the Mazars' Property and Construction Team.	2009
John Holroyd	Partner	John Holroyd is business advisory partner to a wide range of industry sectors. He is based in Leeds.	2009
Tim Hudson	Partner and Chair	Tim Hudson is an audit partner specialising in large UK and international groups. He also has experience of advising on acquisitions and fund raisings, including AIM listings. He is based in Manchester. Tim is an elected member of the Group Governance Council and sits on the Group Audit Committee.	2000
Lorraine Olley	Partner	Lorraine Olley joined the firm in 2008. She is a partner in Mazars LLP and a Director of Financial Planning in Mazars Financial Planning Ltd. She is based in Milton Keynes.	2013
Rod Weston	Partner	Rod Weston is a specialist business recovery partner. He acts as advisor, receiver/administrator to distressed businesses of all sizes across a range of sectors and is based in London.	2009

Independent Members of the Group Governance Council

Denise Fletcher	Independent Member	Denise Fletcher is an Operations and Finance Executive who has been a leader in both public and private organisations. She has extensive experience in operating, finance, brand building, consumer and retail strategy, along with extensive investment and acquisition experience.	2012
Francois de Carbonnel	Independent Member	Francois de Carbonnel is a director of corporations and a consultant/corporate finance advisor. He was Chairman of the Board of Thomson SA (TMS), an international multimedia corporation with 24000 employees and \$8bn in sales in 2008/2009. He is on the boards of Pages Jaunes S.A., Ecofin Hedge Fund, Ecofin Special Situations Fund (Irish public companies), Quilvest S.A. (a public Luxembourg company), and Amgen Inc.	2012

Audit Committee

The Audit Committee is a sub-committee of the Governance Council and its members are set out below:

- Richard Bott (Chair);
- Jac Berry; and
- Greg Hall.

The Audit Committee, a sub committee of Governance Council, met three times during the year. It reviewed and approved the consolidated statutory accounts. As part of this, the Committee approved the external audit strategy for the year and, subsequently, received the auditors' report on the results of their audit. At one meeting members of the audit committee met with the auditors without management being present.

Meeting attendance

	UK Executive Board	Governance Council	Audit Committee
Number of meetings held during the year	39	3	3
Phil Verity	35/39		
Tim Davies	35/39		
Alistair Fraser	36/39		
Nigel Grummitt	33/39		
David Herbinet	37/39		
David Smithson	35/39		
Glyn Williams	38/39		
Jac Berry		3/3	3/3
Richard Bott		3/3	3/3
Mark Grice		3/3	
Greg Hall		3/3	3/3
John Holroyd		3/3	
Tim Hudson		3/3	
Rod Weston		3/3	
Lorraine Olley		1/1	

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