

Transparency Report 2010



Legal Structure and Ownership

AGN International Ltd

Governance Structure

Internal Quality Control Systems

Public interest entities

Independence procedures and practices

Financial Information

Remuneration of Principals

In accordance with the Statutory Auditors (Transparency) Instrument 2008, we are required to publish a Transparency Report, effective for accounting periods commencing on or after 6 April 2008. This is our second report, covering the year ended 30 April 2010.

Legal Structure and Ownership

Shipleys LLP ("the Firm") is a limited liability partnership incorporated in England and Wales. There are twenty one members ("principals") of the Firm, the ten designated members being its owners.

Eleven principals are members of the Institute of Chartered Accountants in England & Wales, one of the Institute of Chartered Accountants in Ireland, one of the Institute of Chartered Accountants in Scotland and two are members of the Association of Chartered Certified Accountants.

Three out of the firm's four offices provide audit services and there are in total thirteen Responsible Individuals of the Firm. The audit practice is regulated by the Institute of Chartered Accountants in England & Wales and is subject to review by its Quality Assurance Directorate.

AGN International Ltd

Shipleys LLP is a member of AGN International Ltd, a worldwide association of independent accounting and consulting firms, none of which are members of any international partnership or network, nor is there common ownership across the firms. AGN International Ltd has representative members in over 89 countries. It is not a network as defined by the Statutory Auditors (Transparency) Instrument 2008.

Governance Structure

The Firm, whose managing principal is Ken Roberts, is governed by its principals, who are responsible for the formulation of the Firm's strategies and policies. Responsibilities are delegated to a small number of Committees, comprising principals and senior staff. These Committees make recommendations and report to the principals at regular meetings.

The decision-making process rests with the principals of the Firm.

Internal Quality Control Systems

Leadership responsibilities

Responsibility for quality assurance within the Firm rests with the Audit Technical Committee, made up of five Responsible Individuals together with senior staff from all three audit offices, chaired by the Audit Compliance principal. Its main responsibility is to establish, implement and monitor the quality control procedures and policies of the Firm in relation to audit, non audit and other assurance assignments.

Ethical Requirements

The Firm's Ethics Principal has overall responsibility for the Firm's policies and procedures relating to integrity, objectivity and independence, compliance with the Auditing Practices Board Ethical Standards and the effectiveness of their communication and guidance to principals and staff within the Firm.

Acceptance and continuance of client relationships

The Firm has established robust engagement acceptance procedures for

Transparency Report

all of its prospective clients, which are monitored throughout the duration of the client relationship. They include, inter alia, a clear understanding of the client's requirements, our commitment to offering the very best quality of service and an approval process that is appropriate to the perceived risk.

Human resources

Our HR team, headed by a principal, is responsible for recruitment, training, appraisal and remuneration processes. Vigorous selection techniques are pivotal to our policies, together with continuing support at all levels for career development and progression.

Engagement performance and monitoring

The audit performance of the Firm is principally monitored by its Audit Technical Committee, which is also responsible for the creation of quality control procedures and policies within the firm and for training and dissemination of technical information throughout the audit practice. It is also responsible for internal and external reviews and monitoring, including engagement quality control and the provision of a forum for consultation on audit and other assurance engagements.

Professional skills and values

The Firm is committed to developing and maintaining the highest possible standards for all principals and staff throughout the Firm and it provides an annual programme of Continuing Professional Development, supported by regular internal and external lectures and presentations. Staff and principals will undertake work commensurate with their professional competence and expertise

Public interest entities

The only client of the Firm which is listed on an EU Regulated Market is London & St Lawrence Investment Co Plc, listed on the London Stock Exchange.

Independence procedures and practices

The Firm maintains internal policies and procedures to preserve its independence and to act with integrity and objectivity.

Compliance is monitored throughout the year by the Ethics Principal. All principals and staff are also required to complete annual declarations of their independence. There are strict procedures for rotation of principals who have been acting for audit clients over a prolonged period, as required by the Ethical Standards. In addition, there are detailed procedures for the provision of non-audit services to audit clients.

Financial Information

Turnover	2010 £'000	2009 £'000
Total Turnover	13,676	14,265
From statutory audit work	3,072	3,286
From non-audit services from audit clients	1,598	2,132
	4,670	5,418
From non-audit services from non-audit clients	9,006	8,847
Total	13,676	14,265

Remuneration of Principals

Profits are shared in accordance with the Members' Agreement and are determined following a performance review and assessment at a meeting of the designated members. Performance assessment includes delivery of an outstanding service to clients, technical excellence, quality and risk management, staff development and the overall contribution made to the financial success and reputation of the Firm.

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Registered Auditors. Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities.

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