

**Transparency report**

**2019**

**PKF Audit & Conseil Sàrl**  
*Cabinet de révision agréé*

PKF Audit & Conseil Sàrl  
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PKF Audit & Conseil is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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## 1. Introduction

We are pleased to present our Transparency Report for the year ended 31 December 2019 designed to give information on the ownership and governance of the firm and the measures we have taken to maintain independence and high-quality audit standards in our audit and other services. This report has been prepared in accordance with Article 13 of the Regulation (EU) 537/2014 dated 16 April 2014 on specific requirements regarding statutory audit of Public Interest Entities.

## 2. Overall organization

### 2.1. Legal structure and ownership

PKF Audit & Conseil Sàrl (the firm) is a *Société à responsabilité limitée* (Sàrl) organized under Luxembourg modified company law dated 1915, registered with the Luxembourg trade and companies register under the number B 222994 on 19 March, 2018 and authorized by the *Commission de Surveillance du Secteur Financier* (the CSSF) as *Cabinet de revision agréé*.

The share capital of EUR 20.000 is divided into 200 shares held equally by two audit partners. Both are *réviseurs d'entreprises agréés*.

### 2.2. Network PKF International

#### 2.2.1. Introduction

The firm is a member firm of the PKF International (PKFI) family of legally independent firms. The PKF Network consists of member firms in locations around the world, providing assurance, accounting, business advisory and taxation services. PKFI is a member of the Forum of Firms - an organization dedicated to consistent and high-quality standards of financial reporting and auditing practices worldwide.

PKFI administers a family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

#### 2.2.2. Legal basis

The network formed by PKFI (the Licensor or the Company) and the member firms (the Licensees) is regulated by adherence to an Operating License Agreement (OLA) between the Licensor and individual Licensees. The OLA authorizes the Licensee to use the PKF name as defined under specific circumstances, under specific conditions, for specific purposes and in a specific territory, in consideration for which the Licensee pays a license fee to the Licensor.

Each Licensee is a legally independent entity owned and managed in each location. Contractual relations are only formed between a client and the member firm engaged by the client and no other member firm may be held liable. The Company has no financial or management interest in any member firm. None of the directors of the Company has a financial or management interest in any member firm other than his or her own.

### 2.2.3. Structure

Member firms are organised into five geographical regions. Each region has a Regional Board and elects or nominates representative(s) to the Company's Board of Directors.

There are two international committees responsible for professional and practice standards: the International Professional Standards Committee (incl. Assurance) and International Tax Committee. A number of additional practice area committees operate both regionally and internationally.

### 2.2.4. Quality assurance

PKFI operates a Global Monitoring Program (GMP) covering member firms. The principal objectives are to ensure that the standards expected for the performance of certain types of professional work by member firms are established and communicated to firms, that those standards meet appropriate recognized professional practice requirements at least for transnational and referred work, and that a program of monitoring of compliance with expected standards is operating effectively.

### 2.2.5. Member firms, countries and turnover

PKFI distinguishes between member firms and correspondent firms. Correspondent firms do not form part of the network as defined by the International Code of Ethics for Professional Accountants, including International Independence Standards issued by the International Ethics Standards Board for Accountants (IESBA), have none of the rights and privileges or responsibilities of member firms and are not covered by the GMP. An up to date list of member and correspondent firms, including the firm names and countries in which they are registered and operate from, can be found on the website [www.pkf.com](http://www.pkf.com).

The aggregate fee income which relates to the statutory audit of annual and consolidated financial statements for EU EAA member firms (excluding correspondent firms) that belong to the PKF Network, as reported in the Firm Compliance Reporting ending 30 June 2019, is US\$ 121 million.

### 3. Our values

Our values at PKF are fundamental to what we do and how we deliver client services. They help us to maintain high-quality audit standards, independence and integrity in our client relationships.



#### Passion

We have an appetite for progress. We strive to exceed our clients' expectations by being responsive, by being creative and by going the extra mile to deliver superior outcomes. We require our people to continue to grow personally and professionally by providing opportunity and training. We embrace diversity and respect individual and cultural differences. Foremost we encourage everyone at PKF to love what they are doing and to reflect this in their client relationships. We are very much a PKF family.

#### Teamwork

We are advisers without borders. Our member firms are independently owned and managed. Strong personal relationships enable us to work seamlessly. We treat our fellow members' clients as if they were our own. We respond on time, we charge fairly and we respect one another's relationships.

#### Clarity

We initiate clear and direct action. We are open and transparent at all times. We are consistent with our approach. We convey our message plainly and concisely, avoiding jargon.

#### Quality

We apply the highest standards of quality to our work. We adopt a policy of continual staff upskilling and member adherence to our network requirements. We are globally regulator compliant with adherence to local requirements where these are more stringent. We constantly question, review and test compliance with these standards through strict adherence to our processes of inspection. We are all party to the PKF Commitment.

#### Integrity

Our individual voice defines us in our communities and local markets but our collective integrity is what sets us apart. We have shared standards and a mutual respect for entrepreneurs and influential leaders, which extends our voice and reach. There is a recognition of the individuals who represent the member firms and a strong sense of support and encouragement to make things happen, together.

#### 4. Governance structure

Two General Managers (The Management) manage the firm. The two person composing the Management of the firm are *Réviseurs d'Entreprises Agréés* (authorized statutory auditors) (hereafter "*REA*").

The overall responsibilities of the Management are the following:

- Risk management (independence, ethics and client acceptance),
- Human resources and training,
- Quality control system and monitoring.

These functions are further detailed in the following paragraphs.

The other responsibilities of the Management in addition to the performance of client engagements are finance management, business development, marketing and communication, IT.

#### 5. Internal quality control system

##### 5.1. Introduction

The firm implemented an internal quality control system, developed in accordance with the standard ISQC1 which includes the following parts:

- Leadership for quality,
- Independence and other ethical requirements,
- Client / Engagement acceptance and continuance,
- Human resources,
- Engagement performance and
- Monitoring.

##### 5.2. Leadership for quality

The structure of the firm clearly defines the various responsibilities at the different levels.

Tone is given at the top of the firm: the Management has the responsibility for audit quality. The Management has to ensure that the engagement documentation is in line with the applicable standards (International Standards on Auditing, on Review Engagements, etc.) and to train people in order for them to be efficient and meet the quality standards set by the firm and required by the network.

##### 5.3. Independence and other ethical requirements

Independence and other ethical requirements are monitored in accordance with the provisions of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* including the supplementary requirements set for Luxembourg by the *CSSF*.

The key procedures are as follows:

- An annual declaration on independence performed by all partners and staff in the FIRM,
- Independence considerations performed when deciding to accept an engagement,
- Independence considerations performed annually when deciding to renew the engagement,
- Rotation of key audit partners and personnel.

All partners and managerial staff involved in a Public Interest Entities audit must cease their participation in that audit no later than seven years from that date of their first involvement.

These procedures take into account possible independence issues with the firm's affiliates and member firms of the PKF International network.

At the heart of PKFI's approach to managing independence is the Transnational Entities Database (TREND), part of the network's proprietary platform for global co-ordination and communication. A secure central repository of member firms' transnational client details accessible by all PKF firms worldwide, the database highlights potential cross-border conflicts involving PKFI firms. The transnational entity listing (including transnational audits) must be continuously updated and its accuracy confirmed annually.

#### **5.4. Client / Engagement acceptance and continuance**

Acceptance or continuance is based on a detailed risk analysis, supported by relevant questionnaires and checklists.

The risk analysis is based on various procedures, which include, among others, the following:

- Anti-money laundering checks,
- Independence and partner/firm/team rotation considerations,
- Analysis of the client activity,
- Analysis of the client financial position, including its ability to continue as a going concern,
- Analysis of the client reputation, integrity and compliance with laws and regulations,
- Analysis of potential independence threats,
- Specific conditions surrounding the delivery of the prospective service,
- Overall assessment of whether to (continue to) render services to the prospective/existing client.

At the level of each client, the risk assessment is prepared under the responsibility of the *REA* in charge.

## 5.5. Human resources

We have developed specific procedures to ensure we have high quality and properly trained personnel to perform our engagements in accordance with the professional standards. Such procedures include:

- Defining recruitment needs,
- Defining roles and competence,
- Setting objectives,
- Appraisals,
- Compensation and promotion policy.

The objective of the firm is to continue serving clients with quality professionalism. Recruitment needs are estimated on a periodic basis, taking into consideration the growth of client numbers and the development of current personnel, as well as potential specific needs to serve our clients with the appropriate quality level, and updated, depending on the circumstances.

The Firm ensures that adequate training courses given internally or by external providers are followed by staff to ensure that staff benefits from the latest information to improve their competence with regard to the assignments they carry out. To this effect an annual training plan has been developed. This training plan covers international auditing standards, audit work programs and tools, accounting standards as well as specific industry requirements. The training plan also covers soft skills and foreign language training if requested by personnel.

Staff members are evaluated on a regular basis taking into account their assignments and their performance during the period under review, in order for the firm to ensure they continue to progress and to meet all relevant requirements. Evaluations are performed twice a year.

## 5.6. Engagement performance

In order to make sure that our assurance engagements meet the professional standards and regulatory requirements, we implemented a recognized audit tool, Caseware. Caseware documentation is in line with the International Standards on Auditing and allows the standardization of the assurance engagements performance and documentation.

Furthermore, specific documentation and standard audit work programs have been developed depending on client size and industries.

The use of these audit tools and the supervision of the engagements ensure that:

- The procedures on the assurance engagements are performed in accordance with the professional standards and regulations;
- The approach approved by the *réviseur d'entreprises agréé* was actually implemented;
- Any deviation from the approved approach is discussed and agreed with the *réviseur d'entreprises agréé*;
- Significant accounting, auditing and other matters were properly addressed and discussed with the *réviseur d'entreprises agréé* and with the client;
- The procedures performed and documentation in the assurance file support the conclusion;
- Appropriate review is evidenced in the file.



Engagement Quality Control Reviews (EQCR) are performed for the assurance engagements on Public Interest Entities and for all the high risk clients or engagements. The quality reviewer is a skilled *REA* assigned during the planning phase.

### **5.7. Monitoring**

The objectives of the firm's monitoring activities are to ensure that the internal quality control system operates properly and in accordance with the rules set by the ISQC1. The ultimate objective of the system is to give us reasonable assurance that potentially significant and repeated non-compliance instances will not remain undetected and not corrected.

Our monitoring activities are based on engagement reviews and file inspections for each audit partner.

Our monitoring activities also include preparation and communication of recommendations to improve the system, especially if weaknesses were detected or standards changed.

## **6. Public oversight and external quality control**

The firm is under the supervision of the *CSSF*. The latest quality assurance review performed by the *CSSF* took place during the first semester of 2020.

As a member of the PKF network, the firm is also subject to periodic reviews by PKFI. The last review was performed in January - March 2018 when joining the PKF network.

As member of the *Institut des Réviseurs d'entreprises (IRE)*, some engagements and procedures are subject to periodic reviews by *IRE*. The latest review of the firm's compliance with legal obligations related to the fight against money laundering and terrorist financing took place during the first semester of 2020.

The results of all internal and external quality control reviews are used to inform improvements to the firm's policies and procedures and are also fed into the firm's internal training program.

## 7. Financial information

Revenues of the firm for the year ended December 31, 2019 can be detailed as follows, in accordance with the annual accounts as at December 31, 2019.

<b>Service</b>	<b>Revenue (in EUR)</b>
Revenues from the statutory audit of the annual and consolidated financial statements of public-interest entities	45 000
Revenues from the statutory audit of annual and consolidated financial statements of other entities	1 365 003
Revenues from permitted non-audit services to entities that are audited by the audit firm	-
Revenues from non-audit services to other entities	322 093
<b>Total</b>	<b>1 732 096</b>

## 8. Partners' remuneration

Partners' remuneration is made up of a fixed salary plus a variable bonus, according to the partnership agreement. Such bonus is based both on the aggregated performance of the firm and on the individual performance of each partner.

## 9. Public Interest Entities

### Public Interest Entities

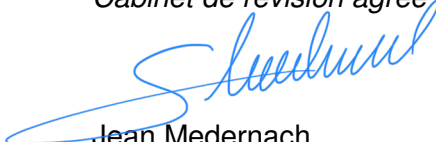
RSHB Capital S.A.  
4finance S.A.

### Regulated Market - Stock Exchange

Irish Stock Exchange  
Irish Stock Exchange, Frankfurt Stock Exchange

Luxembourg, 28 April 2020

**PKF Audit & Conseil Sàrl**  
*Cabinet de révision agréé*



Jean Medernach  
*Réviseur d'entreprises agréé*



Yves Mertz  
*Réviseur d'entreprises agréé*

**Appendix 1 - EU EAA member firms in the PKF International network providing statutory audit of annual and consolidated financial statements**

Registered Name	Country	Head Office City
PKF Corti & Partner GmbH Wirtschaftsprüfer und Steuerberater	Austria	Graz
PKF Oesterreicher & Partner GmbH & Co KG Wirtschaftsprüfung und Steuerberatung	Austria	Vienna
PKF Centurion Wirtschaftsprüfungsgesellschaft mbH	Austria	Vienna
PKF Revisionstreuhand Wirtschaftsprüfungsgesellschaft m.b.H.	Austria	Salzburg
PKF-VMB Bedrijfsrevisoren cvba	Belgium	Antwerp
PKF Bulgaria Ltd.	Bulgaria	Sofia
Anticic Savjetovanje d.o.o	Croatia	Zagreb
PKF ATCO Limited	Cyprus	Nicosia
PKF Savvides & Co Ltd	Cyprus	Limassol
APOGEO Group, SE	Czech Republic	Prague
PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab	Denmark	Copenhagen
PKF Estonia OU	Estonia	Tallinn
Cabinet GROSS-HUGEL	France	Strasbourg
Cogeparc S.A.	France	Lyon
PKF Audit Conseil	France	Marseille
William SARL	France	Rouen
PKF - Fi.Solutions SAS	France	Paris
PKF Deutschland GmbH Wirtschaftsprüfungsgesellschaft	Germany	Hamburg
PKF Fasselt Schlage Partnerschaft mbB	Germany	Berlin
PKF Industrie- und Verkehrstreuhand GmbH Wirtschaftsprüfungsgesellschaft	Germany	Munich
PKF Issing Faulhaber Wozar Altenbeck GmbH & Co. KG	Germany	Wuerzburg
PKF Riedel Appel Hornig GmbH	Germany	Heidelberg
PKF Sozietät Dr. Fischer	Germany	Nuremberg
PKF Vogt & Partner Wirtschaftsprüfer Steuerberater	Germany	Herford
PKF WMS Bruns-Coppenrath & Partner mbB Wirtschaftsprüfungsgesellschaft Steuerberater Rechtsanwälte	Germany	Osnabrueck
PKF Wulf & Partner Partnerschaft mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft	Germany	Stuttgart
PKF Canillas	Gibraltar	Gibraltar
PKF Euroauditing S.A.	Greece	Athens
PKF Audit Kft	Hungary	Budapest
PKF O'Connor, Leddy & Holmes Limited	Ireland	Dublin
PKF-FPM Partnership	Ireland	Balbriggan
PKF Italia S.p.A.	Italy	Milan
PKF Studio TCL	Italy	Genoa

Registered Name	Country	Head Office City
PKF Latvia SIA	Latvia	Marupe
L'Alliance Révision Sàrl	Luxembourg	Luxembourg
PKF Audit & Conseil Sàrl	Luxembourg	Luxembourg
PKF Malta Limited	Malta	Birkirkara
PKF Wallast	Netherlands	Delft
PKF ReVisjon AS	Norway	Oslo
PKF Consult Spółka z ograniczoną odpowiedzialnością Sp. k.	Poland	Warsaw
PKF II Portugal Lda	Portugal	Lisbon
PKF Econometrica S. R. L.	Romania	Timisoara
PKF Finconta S. R. L.	Romania	Bucharest
PKF Slovensko S.R.O	Slovakia	Prievidza
PKF - Audiec SAP	Spain	Barcelona
PKF Attest Servicios Profesionales, S.L.	Spain	Madrid
PKF Revidentia AB	Sweden	Stockholm
Francis Clark LLP	United Kingdom	Exeter
Johnston Carmichael LLP	United Kingdom	Aberdeen
KLSA LLP	United Kingdom	Harrow
PKF Littlejohn LLP	United Kingdom	London
PKF-FPM Accountants	United Kingdom	Co. Down