Societe Generale UK Foundation



Audit Planning Report

For the Year Ended 31 December 2025

HaysMac

Table of Contents

1. Introduction....1
2. Risk assessment and materiality....2
3. Developments in Reporting & Auditing....5
4. The team and audit timetable....6
5. Reporting, internal controls, and independence....8
6. Fees and deliverables....9
7. Audit quality and culture....12
Appendix one: detailed timetable....14

1. Introduction

Scope

The purpose of this report is to confirm the arrangements for our audit of the financial statements of the Charity for the period ending 31 December 2025 and to give the Board of Trustees an overview of our audit plan and the nature and scope of our audit work.

We conduct our audit in accordance with International Standards on Auditing (UK) ("ISAs"). Our audit objective is to obtain sufficient appropriate and reliable audit evidence to enable us to express an audit opinion on the financial statements of the Charity for the year ended 31 December 2025.

Audit Plan

Our audit plan, key dates, proposed fees and other matters are set out in the following pages.

We have carefully prepared this plan based on discussions with management and we are satisfied that, if all elements of the plan are implemented, we will be able to complete high quality audit that meets your deadlines.

Audit Quality

Audit quality is our highest priority, and we have chosen a suitably knowledgeable, skilled and experienced team. Our proposed audit fee ensures we can allocate sufficient time to enable the team to perform the audit work in accordance with the ISAs and best practice.

Respective responsibilities in relation to the audit of the financial statements

The Trustees are responsible for the preparation and approval of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, where applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

A further description of our responsibilities is available on the Financial Reporting Council's website here.

Yours faithfully,

HaysMac LLP

HaysMac LLP

2. Risk assessment and materiality

When planning our audit work, we devise our work to minimise the risk of material misstatements occurring in the financial statements. To do this, we consider both the risk inherent in the financial statements themselves and the control environment in which the entity operates. We then use this assessment to develop an effective approach to the audit.

At completion of our work we will report back in our Audit Findings Report the work performed in relation to each risk and our findings. ISAs include the following two presumed significant risks:

AREA OF FOCUS	SIGNIFICANT RISK	PLANNED AUDIT WORK
Fraud in revenue recognition	The risk of fraudulent inappropriate treatment of revenue recognition under UK GAAP, in particular the risk that income is recognised in the incorrect period.	• We will plan and perform specific tests to assess the validity of revenue recognition in the period. We will test a sample of transactions around the year end to ensure income is recorded in the correct period. • Our review will also include an assessment of the appropriateness of the recognition of accrued income and deferred income.
Management override of controls	The risk of misappropriation of assets and the risks of misrepresentation of financial information.	• We will consider and review all areas requiring judgement to assess the appropriateness of the judgements and estimates made by management. • We will make inquiries of individuals with different levels of responsibility involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments • We will review and test journal entries and other adjustments made as part of the year-end financial reporting process and those made in the year. Where necessary we will make further inquiries regarding any seemingly inappropriate or unusual journal or other adjustments. • We will review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud. In performing this review, we will • Evaluate whether the judgments and decisions made by management in making the accounting estimates included in the financial statements, even if they are individually reasonable,

AREA OF FOCUS	SIGNIFICANT RISK	PLANNED AUDIT WORK
		indicate a possible bias on the part of the entity's management that may represent a risk of material misstatement due to fraud. • Perform a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in the financial statements of the prior year. • For significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual given our understanding of the entity and its environment and other information obtained during the audit, we will evaluate whether the business rationale (or the lack thereof) of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets

Materiality

We use materiality in planning our audit and in evaluating the results of our work. We define materiality as the magnitude of misstatement that we expect would reasonably influence the economic decisions of the users of the financial statements and misstatements (including omissions) are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users of the financial statements.

In planning our audit work, we will give particular attention to those areas of the financial statements that we consider to be the most important in terms of materiality as defined above. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial information needs of users of the financial statements.

Draft materiality is as follows:

£62,700	Draft materiality has been based on 1% of prior year Gross Assets. This figure will be updated when financial information for 2025 has been received

£47,000	Performance materiality will be used to detect errors at a lower precision level and has been based on 75% of draft materiality.
£3,130	We will report all identified errors greater than 5% of draft materiality

Related parties

ISAs also require us to consider the susceptibility of the financial statements to material misstatement due to fraud or error that could result from related party relationships and transactions. We are required to record all identified related parties and we would appreciate it if related party transaction forms could be completed by all trustees and members of senior management and made available ahead of the audit fieldwork.

3. Developments in Reporting & Auditing

We have identified no significant matters as having implications for the entity's financial reporting and our audit work this year in addition to those identified as significant risks in Section 2 Risk Assessment. However, we draw attention to the following matter which will impact on the year ending 31st December 2026.

Changes to the applicable reporting framework

SORP 2026 and UK GAAP developments

There are no major new or amended standards coming into effect that will affect your current financial year, although there is now a new SORP which impacts for accounting periods starting on or after 1 January 2026. The key changes relate to implementing the five-step model for income recognition and changes to the treatment of operating leases which will come onto the balance sheet unless they are short (less than 12 months) or low value.

Whilst the accounts for your current year are unaffected, we remind you that certain aspects of the new SORP will require a restatement of the opening position in your next financial year end accounts and so it would be helpful when preparing this years' accounts to have in mind the impact of that change and report this to those charged with governance so they are aware of the financial impact these changes may have going forward. If you anticipate significant changes, you may also wish to consider the disclosures included in the current year financial statements.

There are further changes in the narrative reporting, with a greater emphasis on impact reporting. Furthermore, charities in Tier 3 (with income over £15m) will be brought into the scope of reporting on ESG matters. Therefore, early preparation will support a smooth transition next year.

The transition to the new requirements will require careful planning and early preparation is recommended.

Events

For further details of our events, including our series of webinars on the new SORP, please visit our website.

4. The team and audit timetable

Our team for the audit will be as follows:

TEAM MEMBER	ROLE	CONTACT DETAILS
Jackson Berry	Audit Engagement Leader	**T** 020 7151 4400 **E** jberry@haysmac.com
Matt Heath	Audit Manager	**T** 020 7396 4319 **E** mheath@haysmac.com
Ayesha Vazeer Khan	Audit Senior Associate	**T** 020 7969 5623 **E** avazeerkhan@haysmac.com

As agreed, following discussions with management on 1 July 2026, our work is being planned to meet the timetable as previously agreed and set out in Appendix One.

The major phases of our audit and major elements of each phase can be summarised as follows:

DATE	TASK
Pre planning	• Initial information gathering • Preparation of draft audit deliverables requirements list • Set up of Inflo, to enable file sharing • Agree detailed audit timetable • ISA 315 (Revised) information gathering • General IT controls assessment
Audit planning	• Audit planning meeting with management • Detailed information gathering • Preliminary analytical review • Detailed risk assessment • Development of audit strategy
Execution of detailed audit work	• Detailed audit testing led by audit senior associate • Reviews by audit manager • Ongoing progress meetings
Finalisation	• Finalisation and final analytical reviews of the financial statements • Final reviews of audit file • Finalisation meeting
Completion	• Filing & publication of financial statements • Issue of final audit findings report

5. Reporting, internal controls, and independence

Reporting

At the conclusion of the audit, we shall report to the board of trustees as follows:

- Audit report for the Charity;
- Audit Findings Report ('AFR'), including the management letter, to include discussion of control issues and recommendations, significant findings from the audit and a summary of emerging issues in the sector relevant to you; and
- A schedule of errors that we identified during our audit work. The summary will not include errors that are 'clearly trivial'. We will require you to confirm that you have duly considered these unadjusted errors and that you have decided not to adjust for them in the financial statements; this will be included in the letter of representation.

Internal controls

ISA 315 '*Identifying and Assessing the Risks of Material Misstatement*' requires us to obtain an understanding of the control environment, system of internal controls, IT systems and controls and entity's risk assessment processes relevant to the financial reporting process, through performing risk assessment procedures.

Subsequent to these risk assessment procedures the nature and extent of our detailed audit procedures will vary according to our assessment of the accounting system and, where we wish to place reliance on it, elements of the internal control system relevant to the financial reporting process.

Where you have informed us that you have dealt with a particular risk by the introduction of supervisory, detailed or IT controls, if we consider it cost effective to seek to rely on these controls for audit purposes, we will test them and, if they are working effectively, we will reduce the time spent on other audit tests accordingly.

Our audit is not designed to identify all significant weaknesses in the systems but, if such weaknesses come to our notice during our audit which we think should be brought to your attention, we shall report them to you.

Independence

Under the Ethical Standard published by the Financial Reporting Council we are obliged to consider all significant facts and matters that could bear upon our objectivity and independence.

We do not perform any non-audit services which could adversely affect our objectivity.

6. Fees and deliverables

This table below presents our fee for the audit services provided to Societe Generale UK Foundation for the year ended 31 December 2025.

	2025	2024
Base fee	11,800	11,200
Total	11,800	11,200

Base fee:
Our base fee is adjusted for wage inflation and market rates based on industry benchmarks. The base fee reflects the level of expertise, experience, and reputation of the audit team. It also includes two other significant costs:

- *Compliance, technical and support teams* – with ever increasing regulation across the industry we continue to invest in our compliance, technical and central functions that are supporting the audit team to deliver a high-quality audit. We continue to invest in the size and quality of these teams and we're proud that 100% of our audits reviewed by the regulators over the past three years passed their inspections.

- *Technology* – also in response to regulatory changes we have invested heavily in the technology to improve how we deliver our service and support our audit teams, in particular in the cost of the Inflo audit platform. This platform has already demonstrably improved audit quality and the way we perform our audits.

Assumptions and conditions
The above fees are exclusive of VAT are based on the following assumptions and conditions. If these are not met then we may need to revise our audit fee accordingly. We will inform you of any such changes as soon as possible and obtain your approval before proceeding with the audit.

- There are no significant changes in the nature, size, or complexity of your charity;
- There are no significant audit adjustments, disagreements, or difficulties encountered during the audit;
- You provide us with timely and accurate information and access to your records and personnel as requested;
- You will prepare the draft financial statements in accordance with our agreed-upon timetable to a high quality.
- You will prepare the supporting schedules in accordance with our agreed-upon timetable..

We have assumed that you will prepare a year-end file and schedules that will be complete and available along with the final Trial Balance for the start of our fieldwork.

There are several factors that may increase the amount of work required, and hence our fees, including:

Additional/inefficient audit work

- Delays to the agreed timetable (i.e. providing figures, financial statements or audit evidence late);
- Auditing amendments to the figures and/or disclosures within financial statements;
- Complicated accounting matters not identified to us at the planning stage;
- Significantly longer post balance sheet period than planned;
- Additional audit risks/issues which have not been disclosed to us at the planning stage;
- Additional audit work on going concern; and
- Attendance requested at additional meetings.

Accounting services outside of scope

- Preparation of accounting adjustments and disclosures; and
- Preparation or amending disclosures in the Trustees'/Strategic report.

Accounts filing

If you require us to file the accounts with Companies House once signed, our signed accounts team can do so and there will be an additional charge of £50 + VAT for each set of accounts filed. For the avoidance of doubt, if we assist with this our obligation is to submit the accounts to Companies House and not to carry out any further administrative role or processes.

A representative of the Charity needs to file the annual return with the Charity Commission and, as part of this process file the annual accounts. We would therefore not ordinarily be involved in this process. member of your team should have an administrator log in to this portal in order to file the accounts in pdf format. If you do not know who this is, we recommend contacting the Charity Commission to ensure that this is in place well in advance of the filing deadline.

Billing schedule

We propose to bill the audit fee in the following amounts:

STAGE	DATE	£
Planning	August 2026	2,500
Fieldwork	September 2026	7,500
Completion	October 2026	1,800

Payment of our fees must be made within 30 days of the fee note and payment of any overdue fees must be made before we are able to sign the audit report.

7. Audit quality and culture

Audit quality and culture

The culture, policies, and procedures adopted by the firm are designed to provide efficient, effective, high-quality audits while fostering a continual process of quality improvement.

Our strategy of consistently delivering strong audit quality is an ongoing key priority for the firm and we recognise ensuring and enhancing audit quality as a dynamic process influenced by organisational culture, policies, and procedures. As one of the few firms undertaking audits of PIEs, our commitment to this endeavour is unwavering, reflecting our dedication to fostering confidence in our current and potential stakeholders.

Audit methodologies and procedures

The industry wide adoption of the quality management standard (ISQM (UK) 1), with the emphasis on proactivity, underpins our continued quality improvement. Our System of Quality Management is critical and supports our strategy to actively manage risks across the whole firm, including both non-technology driven and technology-driven elements.

Our objectives include:

- Audit culture: embedding enhancements to audit quality consistently with a right-first-time culture, developing a framework to enable audit teams to use professional scepticism and challenge management
- Methodology and training: managing transition to the new audit system, revising and improving audit methodology, and delivering relevant and timely training
- Quality management and risk: the regular review of ISQM (UK) 1 compliant policies and building upon the monitoring, remediation, and root course analysis work already embedded within the firm
- Technical and ethics: enhancing our technical capabilities and resources to support our audit teams.

Our established audit methodologies provide structured workflows and promote discipline and compliance with International Standards on Auditing (ISAs) and other applicable regulations.

Within these common methodologies, our audit approach is then tailored to each client with each individual audit file specifically designed, planned, and tailored to reflect the nature and characteristics of our audit clients with the aim of maximising the efficiency and effectiveness of our audit work.

Partners and managers are involved at all stages of the audit and their expertise and knowledge, particularly of their specialist sectors and industries, is incorporated into our audits and included throughout the audit file.

Resourcing

Appropriately resourcing our audits allows us to improve quality and realise efficiencies. Within our audit department we have a five-team structure, built around our sector specialisms, which maintains and enhances audit quality and efficiencies. These focused and specialised teams drive collaborative team behaviours, provide a nurturing environment for our associates through to our senior managers to learn from one another to improve audit quality and help the overall team success.

Audit technology, innovation and efficiency

Technology plays a significant role in driving quality and efficiency within our audits.

We transitioned to Inflo Workpapers, our innovative Digital Audit platform in 2023. This drives greater audit quality through standardisation and automation, through the increased use of data analytics, and more effective and regular manager and engagement leader review throughout the audit process. In turn this enhances client value by offering new insights and differentiating outputs.

Since the implementation in 2023 we have enhanced how we use technology, including AI, to improve efficiencies and audit quality. We have implemented several key strategies that streamline the audit process while significantly improving audit quality. These not only reduce the time spent on manual processes but also minimise the risk of human error, ensuring more accurate and reliable audit results. Technology, including AI and automation augment the role of our audit teams, enabling them to improve the quality of their work by focusing their time on judgemental, technical or subjective areas.

Additionally, we invest in extensive training programs for our audit staff equipping them with the necessary skills and knowledge, to ensure that they can effectively utilise the new technologies and methodologies, leading to more thorough and insightful audits.

Timing of audit work

We use Inflo Collaborate which enables us to collaborate with our clients remotely and helps facilitate the earlier sharing of information to improve the timeliness and quality of our planning.

Continuous improvement

Our aim is to ensure that the firm's culture supports and nurtures continuous improvement in audit quality.

Further information about our commitment to audit quality together with our plans, policies and procedures to ensure and monitor audit quality can be found in our Transparency Report here.

Appendix one: detailed timetable

DATE	EVENT
1 July 2026	Planning meeting with management
Late July 2026	Audit deliverables provided to HaysMac
3 August 2026	Audit fieldwork commences
15 October 2026	Board meeting - Financial statements to be signed
31 October 2026	Charity Commission filing deadline

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