



HERITAGE + HORIZONS

FINANCIAL REPORT 2025

BDO LLP
Annual Report

52 weeks ended 4 July 2025

Members' report and Group and LLP financial statements
Registered number: OC305127



IDEAS | PEOPLE | TRUST



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Registered office 55 Baker Street, London, W1U 7EU
Registered number OC305127
Independent auditors PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, 1 Embankment Place, London, WC2N 6RH.

Foreword

For the 52 weeks ended 4 July 2025

It is my privilege as BDO UK's Managing Partner to present our financial results for the year-ending 4 July 2025.

As I finish my first year as Managing Partner, I reflect on the profound change and uncertainty which we have seen around the world. Global conflict, the rapid development of technology and the continuing threat from climate change are as unsettling for the world's markets as they are for us all as individuals.

These issues have also meant a challenging year for the UK economy and, consequently, challenging market conditions for large accountancy and business advisory firms. Growth rates are slowing across the profession and profitability is under pressure. Whilst BDO has not been immune from this, I am proud of the fact that we have continued to show such resilience and strength.

Despite the uncertainty and economic pressures, as I look at this last year and ahead to the future, I am full of optimism: I remain clear that we must build on our heritage as we look to our future.

This year has confirmed to me the power of people coming together, calmly and collaboratively, to find their way through turbulence and to work, win and thrive together - now doing so in ever more innovative ways enabled by technology. Our mid-market heartland of entrepreneurial, growing and ambitious clients continues to innovate and perform well and does so with tenacity. This segment of the market offers us exciting and interesting work, and I am grateful to the businesses we work with for putting their trust in us.

For our part, we continue to do what we have done since the beginning of the twentieth century: understand and successfully navigate the world around us by being clear on our market and adapting our capabilities to succeed. I also express my gratitude to our talented people for their hard work, their ideas and the trust they place in us.

Away from the financial figures themselves, there are many further things that I am proud of.

This year, we developed and launched our new strategy which will act as our

North Star in the years ahead, setting our direction as a business. Our 'winning strategy' puts people and culture at the heart of our approach and commits us both to quality and doing the right thing for business and society.

I am also proud of the contribution we have made this year to the UK's regional economies, whether that is through creating skilled jobs, recruiting apprentices or helping local businesses thrive. We see harnessing the power of the regions as key to the coming years.

Finally, I reflect on all the investments which we have made in our business, whether that is in AI and technology or in developing new services to meet the needs of the market in areas like sustainability assurance or digital risk.

These are the foundations on which we will build future growth. I respectfully encourage you to read our Transparency Report and our Culture & Impact Report, where you can see more detail on our investments and the wider contribution we make as a firm.

So, as I look to the coming year, and the future beyond, I see a business that is in the right place to unlock

opportunity – for our mid-market heartland as well as for our firm. Our focus on these entrepreneurial, growing and ambitious businesses continues to offer us all opportunities to win, regardless of wider economic challenges. The businesses we work with have shown themselves to be resilient and resourceful. The strength of our brand will allow us to work with more such businesses. Our investment in our people will ensure that we deliver the advice and expertise that will help our clients grow. We face the future with confidence.

I look forward to updating you on our progress next year.

Mark Shaw

MARK SHAW

Managing Partner

29 September 2025





Members' report

For the 52 weeks ended 4 July 2025

Registered office

BDO LLP is registered in the UK as a limited liability partnership under the Limited Liability Partnerships Act 2000 and is referred to in these financial statements as 'the LLP'. The LLP's registered office is 55 Baker Street, London, W1U 7EU.

Principal activities, significant changes and future developments

The principal activity of BDO LLP is the provision of professional services to clients and audited entities. The consolidated financial statements comprise the financial statements of the LLP together with its subsidiary undertakings ('the Group'). The subsidiary undertakings of the LLP are set out in note 12 to the financial statements.

The LLP is the UK representative firm of BDO International, a worldwide network of accountancy firms, serving national and international clients and audited entities. Each BDO Member Firm is an independent legal entity in its own country.

BDO International's UK territory includes Northern Ireland. A separate firm operates in Northern Ireland under the name 'BDO'. This

firm is not part of the Group and accordingly the results of the Northern Ireland firm are not included within the LLP's consolidated financial statements.

Results

The Group's consolidated income statement for the 52 weeks ended 4 July 2025 is set out on page 13. The comparative period is for the 53 weeks ended 5 July 2024.

Designated members

The following individuals were designated members (as defined in the Limited Liability Partnerships Act 2000) throughout the period: Andrew Butterworth, Stuart Collins, Kaley Crossthwaite, Anna Draper, Scott Knight, Gervase MacGregor and Matthew White.

Paul Eagland, Chris Grove and Simon Gallagher ceased to be designated members on 30 September 2024.

Mark Shaw, Gurpal Ahluwalia, Kyla Bellingall, Adam Frai, Dominic Stammers and Leigh Treacy became designated members on 1 October 2024.

Members' profit shares

Members are remunerated out of the profits of the LLP and are personally responsible for funding their retirement. The Leadership Team sets members' profit shares while the Partnership Council sets profit shares for the Leadership Team.

Members' profit shares comprise interest on members' balances, a monetary first tranche and a second tranche based upon the number of points held by a member, the value of which is dependent upon the level of profit achieved, and a variable third tranche that may be awarded for exceptional performance or severance payments.

All profit for the financial period (after making equitable adjustments) is divided automatically. However, following approval by the members in June 2025, a new members' agreement is effective from 5 July 2025 whereby profit is no longer automatically divided but is at the discretion of the Leadership Team. There is transparency amongst the members of the total profit share divided between each individual. The taxation payable on the LLP's profits is a personal liability of the members during the period.



Retention of profits earned up to the statement of financial position date is made to fund payment of taxation on members' behalf. This is reflected in amounts due to members. The retention for taxation in the LLP, which is included within members' interests, also takes into account taxation recoverable or payable by the members but not yet due for payment because of timing differences between the treatment of certain items for taxation and that for accounting purposes. Such provision is made to the extent that it is considered material in the context of the need to maintain an equitable treatment between members from period to period.

Members' report

For the 52 weeks ended 4 July 2025 (continued)

Members' capital and loan capital

Contributions to members' capital (liabilities) are made by members in such sums as are recommended by the Leadership Team and approved by the Partnership Council. Repayment after retirement is in accordance with the members' agreement.

Contributions to members' loan capital (amounts due to members (liabilities)) are made by members in such sums as are recommended by the Leadership Team and approved by the Partnership Council. Members' loan capital is repayable immediately on retirement.

Amounts due to former members

Former member balances are disclosed in the financial statements within loans and borrowings.

Drawings

The policy for members' drawings is to distribute the appropriate amount of profit during the financial period, taking into account the need to retain sufficient funds to settle members' income tax liabilities and to finance the working capital and other investment needs of the business. The Leadership Team sets the level of members' monthly drawings and reviews this

at least annually. Undistributed amounts due to members are usually paid quarterly in the following period for continuing members.

Tax strategy

BDO complies with its duty under paragraphs 16(2) and 25(1) of schedule 19 Finance Act 2016 through the publication of this tax strategy within its Annual Report. This strategy applies to BDO LLP and its UK group subsidiary companies.

References to 'BDO', 'the firm', 'our' and 'we' are to all these group entities.

Approval of strategy

This tax strategy has been approved by our Leadership Team, as part of the approval of BDO LLP's annual accounts and is in line with our overall strategy and operations.

Management of UK tax risks

The Leadership Team is responsible for our tax strategy. They have established a Tax Strategy Board, which consists of three senior tax individuals and three senior finance individuals, who are responsible for its implementation. Our Chief Operating Officer chairs the Tax Strategy Board, reporting directly to the Leadership Team, and is responsible for preparing our tax strategy.

Managing tax risk

Identified tax risks are assessed and managed through our day-to-day tax operational framework and escalated to our Leadership Team as appropriate. The Leadership Team seek to reduce or eliminate any such identified tax risks wherever this is possible and are committed to ensuring we are fully compliant with all our statutory obligations. We aim to file our tax returns on or before their due dates and pay all our tax liabilities on time.

Tax planning

We will always undertake tax planning/structuring based on sound commercial principles in accordance with the requirements of relevant tax legislation.

This includes utilising tax reliefs and incentives as intended by Parliament.

Working with HMRC

We seek to maintain an open, honest and positive relationship with HMRC, and we will always operate on the basis of full disclosure. We have regular correspondence with our HMRC Customer Compliance Manager.



Members' report

For the 52 weeks ended 4 July 2025 (continued)

Tax strategy (continued)

Other relevant information relating to tax

We are the UK member of BDO International and therefore we conduct our business predominantly in the UK. However, some transactions and operations require the consideration of non-UK tax matters, and we apply the same strategy adopted for UK tax matters, as set out above, to non-UK tax matters.

Going concern

The Group has continued to demonstrate consistent performance over the period. The Leadership Team have carefully reviewed current results and prepared detailed trading and cash flow forecasts through to June 2027 as well as considering available banking facilities, other sources of finance and multiple scenarios. The initial period used in the evaluation of the going concern assessment considers the current economic climate. These scenarios included:

- ▶ A base case which is based upon the Group's budget for the 2026 financial period and forecast for the 2027 financial period. In this scenario, BDO can continue trading similarly to the 2025 financial period

- ▶ A downside case which sees a 10% reduction against budget in demand for services offered by the Group which continues until June 2027
- ▶ A severe downside case which incorporates a 20% reduction in revenue against budget representing a difficult trading environment also continuing until June 2027. This scenario included mitigating actions taken by management.

Liquidity is maintained under all three modelled scenarios through the period to June 2027. The Group's current revolving credit facility of £100.0m is committed until October 2026. A new revolving credit facility for £150.0m was signed after the reporting date on 16 September 2025 with funds committed until 31 October 2029 with two optional one-year extensions thereafter. This replaces the previous £100.0m facility.

The Leadership Team is confident the Group will maintain adequate levels of liquidity from its committed facilities and comply with all its banking covenants throughout the forecast period. Therefore, the going concern basis has been adopted in preparing the financial statements.

Statement of disclosure of information to auditors

So far as the designated members are aware, there is no relevant audit information of which the LLP's auditors are unaware and the designated members have taken all the steps that they ought to have taken as designated members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 'Regulations'), requires the members to prepare financial statements for each financial period. Under that law the members have prepared the Group financial statements in accordance with UK adopted international accounting standards.

Under company law, as applied to limited liability partnerships, the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the LLP and of the profit or loss of the Group and the LLP for that period. In preparing the financial statements, the members are required to:

- ▶ select suitable accounting policies and then apply them consistently
- ▶ state whether applicable UK adopted international accounting standards have been followed for the Group and the LLP financial statements, subject to any material departures disclosed and explained in the financial statements
- ▶ make judgements and accounting estimates that are reasonable and prudent, and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the LLP will continue in business.



Members' report

For the 52 weeks ended 4 July 2025 (continued)

Statement of members' responsibilities in respect of the financial statements (continued)

The members are also responsible for safeguarding the assets of the Group and the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations.

The members are responsible for the maintenance and integrity of the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

A list of members of the LLP can be found on the Companies House website using the following link:
<https://find-and-update.company-information.service.gov.uk/company/OC305127/officers>

On behalf of the Leadership Team

Mark Shaw

MARK SHAW

Managing Partner
29 September 2025





Independent auditors' report

To the members of BDO LLP

Report on the audit of the financial statements

Opinion

In our opinion, BDO LLP's group financial statements and LLP financial statements (the "financial statements"):

- ▶ give a true and fair view of the state of the group's and of the LLP's affairs as at 4 July 2025 and of the group's profit and the group's and LLP's cash flows for the 52 week period then ended;
- ▶ have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated and LLP statements of financial position as at 4 July 2025; the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated and LLP statements of cash flows, and the Consolidated and LLP statements of changes in equity and members' interests for the period then ended; and the Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

Audit scope

Our audit included full scope audits of 2 components including the parent entity (BDO LLP) and one subsidiary (BDO Services Limited). Taken together the components subject to audit accounted for 98% of the group's consolidated revenue and 99% of group's consolidated profit before tax.

Key audit matters

- ▶ Valuation of contract assets (group and parent).

Materiality

- ▶ Overall group materiality: £15.0m (2024: £16.0m) based on approximately 7.5 % of profit before tax.
- ▶ Overall LLP materiality: £13.0m (2024: £14.0m) based on approximately 7.5 % of profit before tax.
- ▶ Performance materiality: £11.2m (2024: £12.0m) (group) and £9.7m (2024: £10.5m) (LLP).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the members made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Independent auditors' report

To the members of BDO LLP (continued)

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As a result of management's request for an extended auditors' report, key audit matters have been included for the first time this year.

This is not a complete list of all risks identified by our audit.

Key audit matter

Valuation of contract assets (group and parent)

At 4 July 2025, the group had contract assets of £93.0m (2024: £100.8m), and BDO LLP had contract assets of £93.0m (2024: £100.4m). The group generates revenue from professional services and enters into various types of client contracts. Estimates are required in assessing the recoverable value of contract assets arising from these arrangements.

Refer to note 2 for disclosure of the accounting policy related to revenue, note 3 for disclosure of the significant accounting estimate related to the valuation of contract assets and note 13 for detailed contract assets disclosures, including the accounting policy for contract assets within the group and LLP financial statements.

We have considered the valuation of contract assets as a key audit matter due to their material size and the significant accounting estimate involved in estimating the billable value of the contract assets.

How our audit addressed the key audit matter

Our audit procedures to address the significant risk in relation to the valuation of the contract assets included the following:

- ▶ We obtained an understanding of the controls over the valuation of contract assets and performed a process walkthrough to confirm this;
- ▶ We assessed the revenue accounting policy to ensure it was consistent with the principles of IFRS 15, Revenue From Contracts with Customers, and that it was being appropriately applied with regard to recognising revenue over time;
- ▶ We tested a sample of contract asset balances to confirmations from the partners leading that work. For each balance in our sample, we reviewed the year end WIP balance, post year end invoicing and the subsequent recovery rate achieved to assess the accuracy of the year end contract assets valuation;
- ▶ We evaluated the accuracy of management's estimate at year end by comparing the overall recovery rate at year end with the actual recovery rate achieved post year end.

Based on the procedures performed, we noted no material issues arising from our work.



Independent auditors' report

To the members of BDO LLP (continued)

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the LLP, the accounting processes and controls, and the industry in which they operate.

The group operates mainly in UK with client billings mainly conducted through the parent entity (BDO LLP). Our audit comprised a full scope audit of parent entity (BDO LLP) and its significant UK subsidiary (BDO Services Limited) which bears the group's payroll cost. These audits accounted for 98% of group's consolidated revenue and 99% of group's consolidated profit before tax and were carried out by the group audit team.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand the extent of the potential impact of climate risk on the group's and LLP's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group's and LLP's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us

to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements - LLP
Overall materiality	£15.0m (2024: £16.0m)	£13.0m (2024: £14.0m)
How we determined it	Approximately 7.5 % of profit before tax	Approximately 7.5 % of profit before tax
Rationale for benchmark applied	We considered this benchmark given the relevance of profit to the users of the financial statements (being primarily, the members)	We considered this benchmark given the relevance of profit to the users of the financial statements (being primarily, the members)

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £12.9m to £13.0m. Both components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £11.2m (2024: £12.0m) for the group financial statements and £9.7m (2024: £10.5m) for the LLP financial statements.

Independent auditors' report

To the members of BDO LLP (continued)



In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £0.7m (group audit) (2024: £0.8m) and £0.6m (LLP audit) (2024: £0.7m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the LLP's ability to continue as a going concern.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency

or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

As explained more fully in the Statement of members' responsibilities in respect of the financial statements, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible 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 members are responsible for assessing the group's and the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the group or the LLP or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report

To the members of BDO LLP (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulations governing auditors and accountants enforced by the FRC, ICAEW and PCAOB, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to earnings so as to manipulate results, and management bias in accounting estimates, particularly related to

the assessment of the billable value of contract assets on client assignments. Audit procedures performed by the engagement team included:

- ▶ for a sample of contract assets on client assignment balances, testing to post year-end billing, and holding discussions with engagement partners, to confirm the reasonableness of assumptions;
- ▶ performing analytical procedures over the make-up of contract assets, and performing additional enquiries around trends that appear unexpected;
- ▶ testing a sample of journals that meet our risk of fraud criteria;
- ▶ reviewing leadership team minutes and the whistleblowing register to ensure that the matters discussed are consistent with our understanding and other audit evidence obtained;
- ▶ understanding and evaluating the group control environment specifically as it relates to preventing and detecting irregularities and fraud;
- ▶ enquiring of management, those charged with governance and legal counsel around actual and potential fraud and non-compliance with laws and regulations; and
- ▶ reviewing internal audit reports.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities

This description forms part of our auditors' report. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

Use of this report

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Independent auditors' report

To the members of BDO LLP (continued)



Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- ▶ we have not obtained all the information and explanations we require for our audit, or
- ▶ adequate accounting records have not been kept by the LLP, or returns adequate for our audit have not been received from branches not visited by us, or
- ▶ the LLP financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

John Ellis (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

29 September 2025

Consolidated income statement

For the 52 weeks ended 4 July 2025

	Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Revenue	4	1,005.0	1,015.2
Expenses and disbursements on client assignments		(25.7)	(25.4)
Net revenue		979.3	989.8
Operating expenses		(783.7)	(775.6)
Other operating income		14.2	12.8
Operating profit	6	209.8	227.0
Net finance expense	7	(1.3)	(0.6)
Profit before tax		208.5	226.4
Tax expense	8	(8.3)	(9.0)
Profit for the financial period before members' remuneration charged as an expense		200.2	217.4

Allocation of profit

Members' remuneration charged as an expense

Profit for the financial period after members' remuneration charged as an expense

Profit/(loss) for the period attributable to:

Members of the LLP before members' remuneration charged as an expense

Members' remuneration charged as an expense

Non-controlling interest

Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
	(194.7)	(216.7)
	5.5	0.7
	200.5	217.5
	(194.7)	(216.7)
	5.8	0.8
	(0.3)	(0.1)
	5.5	0.7

Consolidated statement of financial position

As at 4 July 2025

<i>Registered number: OC305127</i>	Note	4 July 2025 (£m)	5 July 2024 (£m)		Note	4 July 2025 (£m)	5 July 2024 (£m)
Assets				Non-current liabilities			
Non-current assets				Loans and borrowings			
Intangible assets	9	12.0	14.6		14	0.7	1.2
Property, plant and equipment	10	23.4	21.5		15	11.7	11.5
Right-of-use assets	11	62.2	70.1		17	-	0.1
Other investments		0.3	0.3		11	45.2	53.5
Other receivables	13	-	0.6		8	1.8	1.9
Employee benefits - pension	17	0.9	-			59.4	68.2
		98.8	107.1			240.2	245.4
Current assets				Total liabilities, excluding members' interests			
Trade and other receivables	13	193.0	191.3			213.5	226.5
Contract assets	13	93.0	100.8	Net assets attributable to members			
Cash and cash equivalents		68.9	72.7			213.5	226.5
		354.9	364.8	Represented by:			
Total assets		453.7	471.9	Amounts classified as non-current liabilities			
Liabilities, excluding members' interests				Members' capital			
Current liabilities				Amounts due to members			
Trade and other payables	14	112.6	112.1		14	1.7	1.7
Contract liabilities	14	22.3	21.4		14	244.2	254.5
Lease liabilities	11	18.9	18.7			245.9	256.2
Loans and borrowings	14	10.6	10.1	Amounts classified as equity			
Provisions	15	16.4	14.9	Members' other reserves			
		180.8	177.2			(32.4)	(29.3)
						(32.4)	(29.3)
				Total members' interests			
						213.5	226.9
				Non-controlling interest			
						-	(0.4)
						213.5	226.5

The financial statements on pages 13 to 46 were authorised for issue on 29 September 2025 and signed on behalf of the members of BDO LLP by:

Mark Shaw

MARK SHAW
MANAGING PARTNER



STUART COLLINS
FINANCE PARTNER

Consolidated statement of changes in equity and members' interests

For the 52 weeks ended 4 July 2025

	Other reserves (equity) (£m)	Members' capital (liabilities) (£m)	Amounts due to members (liabilities) (£m)	Total members' interests (£m)	Non-controlling interest (equity) (£m)		Other reserves (equity) (£m)	Members' capital (liabilities) (£m)	Amounts due to members (liabilities) (£m)	Total members' interests (£m)	Non-controlling interest (equity) (£m)
At 30 June 2023	(29.3)	1.6	225.7	198.0	(0.3)	At 5 July 2024	(29.3)	1.7	254.5	226.9	(0.4)
Comprehensive income/(loss) for the period:						Comprehensive income/(loss) for the period:					
Members' remuneration charged as an expense	-	-	216.7	216.7	-	Members' remuneration charged as an expense	-	-	194.7	194.7	-
Profit/(loss) for the period	0.8	-	-	0.8	(0.1)	Profit/(loss) for the period	5.8	-	-	5.8	(0.3)
Other comprehensive loss for the period:						Other comprehensive loss for the period:					
Pension scheme net actuarial loss	(0.7)	-	-	(0.7)	-	Pension scheme net actuarial loss	(5.5)	-	-	(5.5)	-
Total comprehensive income/(loss) for the period	0.1	-	216.7	216.8	(0.1)	Total comprehensive income/(loss) for the period	0.3	-	194.7	195.0	(0.3)
Contributions by and distributions to members:						Contributions by and distributions to members:					
Allocated profit	(0.1)	-	0.1	-	-	Allocated profit	(3.2)	-	3.2	-	-
Introduced by members	-	0.2	9.1	9.3	-	Capital contributions	-	-	-	-	0.5
Repaid to members	-	(0.1)	(4.9)	(5.0)	-	Purchase of non-controlling interests	(0.2)	-	-	(0.2)	0.2
Amounts reclassified as amounts due to former members within payables	-	-	(8.8)	(8.8)	-	Introduced by members	-	0.2	8.5	8.7	-
Drawings and distributions	-	-	(183.4)	(183.4)	-	Repaid to members	-	(0.2)	(3.1)	(3.3)	-
At 5 July 2024	(29.3)	1.7	254.5	226.9	(0.4)	Amounts reclassified as amounts due to former members within payables	-	-	(10.6)	(10.6)	-
						Drawings and distributions	-	-	(203.0)	(203.0)	-
						At 4 July 2025	(32.4)	1.7	244.2	213.5	-

Under the existing members' agreement, effective for both the current and prior period, all profit for the financial period is divided automatically after making equitable adjustments.

The Leadership Team retains control over the timing of payments to members and may defer the settlement of these amounts beyond twelve months after the reporting period.

Consolidated statement of cash flows

For the 52 weeks ended 4 July 2025

	Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)		Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Cash flows from operating activities							
Profit for the period after members' remuneration charged as an expense		5.5	0.7				
Members' remuneration charged as an expense		194.7	216.7				
Amortisation of intangibles	9	2.6	4.4				
Depreciation of property, plant and equipment	10	7.4	8.8				
Depreciation of right-of-use assets	11	18.3	18.1				
Loss on disposal of property, plant and equipment	6	0.4	0.6				
Sub-letting of land and buildings	6	(2.8)	(2.6)				
Contributions to defined benefit pension schemes	17	(1.1)	(1.2)				
Finance expense	7	2.9	2.0				
Finance income	7	(1.6)	(1.4)				
Tax expense	8	8.3	9.0				
Decrease/(increase) in trade and other receivables		7.2	(21.2)				
Increase in trade and other payables		0.2	11.1				
Increase in provisions		1.2	6.6				
Cash generated from operations		243.2	251.6				
UK corporation tax paid		(13.1)	(1.8)				
Net cash flow generated from operating activities		230.1	249.8				
Investing activities							
Purchase of property, plant and equipment	10	(9.7)	(5.6)				
Initial direct costs attributable to right-of-use assets		(0.4)	(0.7)				
Purchase of other investments		-	(0.3)				
Sub-letting of land and buildings	6	2.8	2.6				
Interest received	7	1.6	1.4				
Net cash used in investing activities		(5.7)	(2.6)				
Financing activities							
Drawings and distributions to members	19	(203.0)	(183.4)				
Introduced by members		8.7	9.3				
Repaid to members		(3.3)	(5.0)				
Amounts repaid to former members	19	(10.1)	(13.3)				
Proceeds from borrowings	19	0.1	0.4				
Interest paid		(0.9)	(1.9)				
Lease liabilities paid		(19.7)	(19.7)				
Net cash used in financing activities		(228.2)	(213.6)				
Net movement in cash and cash equivalents		(3.8)	33.6				
Cash and cash equivalents at beginning of period		72.7	39.1				
Cash and cash equivalents at end of period		68.9	72.7				



LLP statement of financial position

As at 4 July 2025

<i>Registered number: OC305127</i>	Note	4 July 2025 (£m)	5 July 2024 (£m)
Assets			
Non-current assets			
Intangible assets	9	7.2	7.4
Property, plant and equipment	10	4.0	4.8
Right-of-use assets	11	33.2	46.6
Investments in subsidiary undertakings	12	-	2.7
Other receivables	13	-	0.4
Employee benefits - pension	17	0.9	-
		45.3	61.9
Current assets			
Trade and other receivables	13	174.9	181.7
Contract assets	13	93.0	100.4
Cash and cash equivalents		29.6	43.0
		297.5	325.1
Total assets		342.8	387.0
Liabilities, excluding members' interests			
Current liabilities			
Trade and other payables	14	105.8	106.8
Contract liabilities	14	22.3	21.4
Lease liabilities	11	14.6	14.5
Loans and borrowings	14	10.6	10.1
Provisions	15	15.6	14.1
		168.9	166.9

Non-current liabilities

Note	4 July 2025 (£m)	5 July 2024 (£m)	
Loans and borrowings	14	0.7	0.8
Provisions	15	4.1	4.1
Employee benefits - pension	17	-	0.1
Lease liabilities	11	18.7	33.2
		23.5	38.2

Total liabilities, excluding members' interests

	192.4	205.1
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Net assets attributable to members

	150.4	181.9
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Represented by:

Amounts classified as non-current liabilities

Note	4 July 2025 (£m)	5 July 2024 (£m)	
Members' capital	14	1.7	1.7
Amounts due to members	14	244.2	254.5
	245.9	256.2	

Amounts classified as equity

Members' other reserves	(95.5)	(74.3)
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Total members' interests

	150.4	181.9
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As permitted by section 408 of the Companies Act 2006, as applied to LLPs, no separate income statement is presented for the LLP. The LLP's profit for the period was £180.6m (2024: £196.1m). The LLP's loss for the period after members' remuneration charged as an expense was £12.8m (2024: loss of £19.2m).

The financial statements on pages 13 to 46 were approved and authorised for issue on 29 September 2025 and signed on behalf of the members of BDO LLP by:

Mark Shaw

MARK SHAW
MANAGING PARTNER

Stuart Collins

STUART COLLINS
FINANCE PARTNER

LLP statement of changes in equity and members' interests

For the 52 weeks ended 4 July 2025

	Other reserves (equity) (£m)	Members' capital (liabilities) (£m)	Amounts due to members (liabilities) (£m)	Total members' interests (£m)
At 30 June 2023	(54.3)	1.6	225.7	173.0
Comprehensive profit/(loss) for the period:				
Members' remuneration charged as an expense	-	-	215.3	215.3
Loss for the period	(19.2)	-	-	(19.2)
Other comprehensive loss for the period:				
Pension scheme net actuarial loss	(0.7)	-	-	(0.7)
Total comprehensive profit/(loss) for the period	(19.9)	-	215.3	195.4
Contributions by and distributions to members:				
Allocated profit	(0.1)	-	0.1	-
Introduced by members	-	0.2	9.1	9.3
Repaid to members	-	(0.1)	(4.9)	(5.0)
Amounts reclassified as amounts due to former members within payables	-	-	(8.8)	(8.8)
Drawings and distributions	-	-	(182.0)	(182.0)
At 5 July 2024	(74.3)	1.7	254.5	181.9

	Other reserves (equity) (£m)	Members' capital (liabilities) (£m)	Amounts due to members (liabilities) (£m)	Total members' interests (£m)
At 5 July 2024	(74.3)	1.7	254.5	181.9
Comprehensive profit/(loss) for the period:				
Members' remuneration charged as an expense	-	-	193.4	193.4
Loss for the period	(12.8)	-	-	(12.8)
Other comprehensive loss for the period:				
Pension scheme net actuarial loss	(5.5)	-	-	(5.5)
Total comprehensive profit/(loss) for the period	(18.3)	-	193.4	175.1
Contributions by and distributions to members:				
Allocated profit	(2.9)	-	2.9	-
Introduced by members	-	0.2	8.5	8.7
Repaid to members	-	(0.2)	(3.1)	(3.3)
Amounts reclassified as amounts due to former members within payables	-	-	(10.6)	(10.6)
Drawings and distributions	-	-	(201.4)	(201.4)
At 4 July 2025	(95.5)	1.7	244.2	150.4



LLP statement of cash flows

For the 52 weeks ended 4 July 2025



	Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)		Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Cash flows from operating activities				Investing activities			
Loss for the period after members' remuneration charged as an expense		(12.8)	(19.2)	Purchase of property, plant and equipment	10	(0.5)	(0.4)
Members' remuneration charged as an expense		193.4	215.3	Dividends received		0.8	0.8
Amortisation of intangibles	9	0.2	0.5	Loan repayments from group undertakings		9.9	6.9
Liquidation of investments	12	2.7	-	Sub-letting of land and buildings		2.8	2.6
Impairment of investments	12	-	0.6	Interest received		2.3	2.2
Depreciation of property, plant and equipment	10	1.2	1.2	Net cash generated from investing activities		15.3	12.1
Depreciation of right-of-use assets	11	13.4	14.1	Financing activities			
Loss on disposal of property, plant and equipment		0.1	-	Drawings and distributions to members	19	(201.4)	(182.0)
Sub-letting of land and buildings		(2.8)	(2.6)	Introduced by members		8.7	9.3
Contributions to defined benefit pension schemes	17	(1.1)	(1.2)	Repaid to members		(3.3)	(5.0)
Finance expense		1.5	1.3	Amounts repaid to former members	19	(10.1)	(13.3)
Finance income		(2.3)	(2.2)	Interest paid		(0.9)	(1.4)
Dividend received	16	(0.8)	(0.8)	Lease liabilities paid		(15.1)	(15.7)
Decrease/(increase) in trade and other receivables		4.7	(13.4)	Net cash used in financing activities		(222.1)	(208.1)
(Decrease)/increase in trade and other payables		(5.5)	6.3	Net movement in cash and cash equivalents			
Increase in provisions		1.5	4.7	Cash and cash equivalents at beginning of period		43.0	34.4
Net cash flow generated from operating activities		193.4	204.6	Cash and cash equivalents at end of period		29.6	43.0

Notes to the financial statements

For the 52 weeks ended 4 July 2025

1. Accounting policies

BDO LLP is a UK limited liability partnership registered in England and Wales under number OC305127. The registered office is 55 Baker Street, London, W1U 7EU. This section refers to new accounting standards, amendments and interpretations and their expected impact, if any, on the performance of the Group and the LLP.

This section contains the Group and LLP's material accounting policies that relate to the financial statements as a whole. Material accounting policies specific to an accounting area are included within the note dealing with that accounting area. Accounting policies relating to non-material items are not included in these financial statements.

Basis of preparation

The standalone and consolidated financial statements of the LLP and Group respectively have been prepared in accordance with UK adopted international accounting standards. Their preparation requires the use of certain critical accounting estimates and for management to exercise judgement in applying the chosen accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3. The results and financial position of each subsidiary undertaking are expressed in Pounds Sterling, which is the functional currency of

the LLP and the presentation currency for the financial statements.

Accounting convention

The Group has continued to demonstrate consistent performance over the period. The Leadership Team have carefully reviewed current results and prepared detailed trading and cash flow forecasts through to June 2027 as well as considering available banking facilities, other sources of finance and multiple scenarios. The initial period used in the evaluation of the going concern assessment considers the current economic climate.

These scenarios included:

- ▶ A base case which is based upon the Group's budget for the 2026 financial period and forecast for the 2027 financial period. In this scenario, BDO can continue trading similarly to the 2025 financial period
- ▶ A downside case which sees a 10% reduction against budget in demand for services offered by the Group which continues until June 2027
- ▶ A severe downside case which incorporates a 20% reduction in revenue against budget representing a difficult trading environment also continuing until June 2027. This scenario included mitigating actions taken by management.

Liquidity is maintained under all three modelled scenarios through the period to June 2027. The Group's current revolving credit facility of £100.0m is committed until October 2026. A new revolving credit facility for £150.0m was signed after the reporting date on 16 September 2025 with funds committed until 31 October 2029 with two optional one-year extensions thereafter. This replaces the previous £100.0m facility.

The Leadership Team is confident the Group will maintain adequate levels of liquidity from its committed facilities and comply with all its banking covenants throughout the forecast period. Therefore, the going concern basis has been adopted in preparing the financial statements.



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

1. Accounting policies (continued)

Basis of consolidation

The financial statements consolidate the results and financial position of the LLP and all its subsidiary undertakings. Intra-group transactions, balances and profits or losses on intra-group transactions have been eliminated. Subsidiary undertakings are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Control exists where the Group has exposure to variable returns from subsidiary undertakings and has the ability to use its power to influence and affect the variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in these elements of control. Uniform accounting policies have been applied across the Group.

Foreign currencies

Transactions in foreign currencies are recorded in Pounds Sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Pounds Sterling using the rate of exchange ruling at the date of the statement of financial position and the gains and losses on translation are included in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short term deposits which have an original maturity of three months or less.

New standards, interpretations and amendments

A number of amendments to standards have been adopted during the period but none had a material effect.

New standards and amendments to existing standards not yet effective are:

Standard	Effective for periods beginning on or after	Endorsed for use in the UK
Amendments to IAS 21 – Lack of Exchangeability	1 January 2025	Yes
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026	No
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	No
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	No

The amendments to IAS 21 are not expected to materially impact future periods. Management are currently assessing the expected impact of the remaining amendments. If any impact is expected to materially impact future periods, details of this assessment will be disclosed within the next Annual Report (financial period ending 3 July 2026).



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

2. Revenue

Revenue is recognised when services are transferred to the client or audited entity at an amount that reflects the consideration to which the firm expects to be entitled in exchange for those services. Revenue is recognised through applying the IFRS 15 input method where contracts give the firm the right to receive payment for work performed to date.

Performance obligations are assessed for each contract, and the transaction price is spread over the performance obligation. Progress towards complete satisfaction of the performance obligations is measured using time and costs incurred as a proportion of total estimated time and costs but excluding Value Added Tax.

Contingent revenue is constrained in estimating contract revenue in order that it is highly probable that there will not be a future reversal in the amount of revenue recognised when the associated uncertainty with the variable consideration is subsequently resolved. Unbilled revenue on individual client and audited entity assignments is included as contract assets. Where individual on-account billings exceed revenue on client and audited entity assignments, the excess is classified as contract liabilities. Performance obligations are generally satisfied within a year of such billing.

3. Critical judgements and key sources of estimation uncertainty

The Group makes certain estimates and judgements regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgements. Where appropriate, present values are calculated using discount rates reflecting the currency and maturity of the items being valued.

During the current financial period, the Group secured all material defined benefit scheme member benefits via a bulk annuity contract (see note 17 for more detail). The transaction resulted in a loss, representing the difference between the premium paid and the value of the liabilities settled. The recognition of this transaction required that judgement be exercised on whether the purchase of the

policies was, in substance, part of a linked transaction to settle the schemes' liabilities, in which case the loss would be recognised in the income statement, or not, in which case the loss would be recognised in other comprehensive income.

After considering the facts and circumstances of the transaction, it was concluded that the transaction is not a settlement as, while there is the intention to proceed to buy-out, there is no legal obligation to do so. As a result, the loss arising from the buy-in transaction of £5.5m has been recognised in other comprehensive income. If the transaction were treated as a settlement, the profit for the financial period after members' remuneration charged as an expense would be lower by £5.5m, and the other comprehensive loss for the period would be lower by the same amount. The impact on total comprehensive income would be £nil.

The significant accounting estimates that could affect the Group's financial results relate to:

- ▶ Valuation of contract assets (see note 13) - estimating the billable value of the contract asset including remaining costs to be incurred, and contingent revenue. In an unlikely scenario, a 10% movement in contract assets will result in change in £9.3m in revenue and contract assets
- ▶ Net deficit or surplus for each defined benefit pension scheme and annuity provisions - these are sensitive to movements in the related actuarial assumptions, in particular the discount rate, inflation, and mortality. See note 17 for more detail. Due to the buy-in of the schemes' liabilities, in future financial periods the actuarial assumptions will no longer have a potentially significant effect on the Group's financial results.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

4. Analysis of revenue, operating profit, and total members' interests by business stream

All revenue arose from continuing operations in the UK except for an immaterial amount of revenue generated by the Group's international subsidiaries.

Total members' interests attributable to the business streams include property related assets and liabilities, net client and audited entity receivables, accrued income and specific staff liabilities. All other assets and liabilities including balances with partners, cash and debt, other provisions and retirement benefit balances are not directly attributable to the streams. Unallocated items affecting operating profit represent central costs that are not directly attributable to the streams.

¹Deals and Consulting, Risk & Outsourcing were previously reported together as Advisory. The comparative totals reported remain unchanged.

	52 weeks ended 4 July 2025 (£m)	RESTATED ¹ 53 weeks ended 5 July 2024 (£m)
Revenue		
Audit	417.4	433.2
Deals	213.4	222.3
Consulting, Risk & Outsourcing	125.6	119.2
Tax	248.6	240.5
	<u>1,005.0</u>	<u>1,015.2</u>
Operating profit		
Audit	78.1	88.2
Deals	29.6	30.2
Consulting, Risk & Outsourcing	23.5	31.8
Tax	79.1	79.4
Unallocated	(0.5)	(2.6)
	<u>209.8</u>	<u>227.0</u>
Total members' interests		
Audit	70.0	77.6
Deals	39.5	46.6
Consulting, Risk & Outsourcing	28.7	28.1
Tax	60.4	65.9
Unallocated	14.9	8.7
	<u>213.5</u>	<u>226.9</u>



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

5. Employees and members

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans. See note 17 for further details.

	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Staff costs (excluding members) consist of:		
Wages and salaries	431.9	427.4
Settlement costs	6.5	1.5
Social security costs	49.9	47.2
Other pension costs	49.4	45.9
	537.7	522.0
		RESTATED² Number
Headcount average (excluding members)	Number	
Audit	3,129	3,161
Deals	621	603
Consulting, Risk & Outsourcing	2,034	1,992
Tax	941	963
Central support	772	694
	7,497	7,413

² Deals and Consulting, Risk & Outsourcing were previously reported together as Advisory. The comparative totals reported remain unchanged.

The average number of members was 354 (2024: 332). The key management of the LLP are those that serve on the Leadership Team. The full-time equivalent number of members serving on the Leadership Team during the period to 4 July 2025 was 10 (2024: 8). The estimated profit attributable to the members of the Leadership Team amounts to £16.7m (2024: £17.3m).

During the period, members received remuneration of £194.7m (2024: £216.7m) in respect of their services to the Group, which has been charged to the income statement as members' remuneration charged as an expense.

6. Group operating profit

Group operating profit is stated after charging:

	Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Depreciation of property, plant and equipment	10	7.4	8.8
Loss on disposal of property, plant and equipment		0.4	0.6
Amortisation of intangibles	9	2.6	4.4
Depreciation of right-of-use assets	11	18.3	18.1
Employee costs	5	537.7	522.0
Provisions charged to income statement	13,15	9.2	20.4
Information technology*		38.7	35.4
Recruitment costs		10.2	13.1

Services provided by and fees payable to the Group's auditor:

Audit of the LLP and consolidated financial statements	0.3	0.2
Audit of the Group's subsidiaries pursuant to legislation	0.1	0.1

*Information technology expense mainly consists of software and maintenance costs.

Within the period, the Group's auditor provided non-audit services relating to the provision of software licenses and other assurance services related to ESG assurance with a combined value of £0.1m (2024: £0.1m).

Other operating income includes sub-letting land and buildings of £2.8m (2024: £2.6m).

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)



7. Net finance expense

	Note	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Finance expense:			
Bank loans and overdraft *	19	(0.9)	(0.5)
Interest on lease liabilities	11	(1.9)	(1.4)
Unwinding of discount on property provisions		(0.1)	(0.1)
		<u>(2.9)</u>	<u>(2.0)</u>
Finance income:			
Short term deposits and investments		<u>1.6</u>	<u>1.4</u>
Net finance expense		<u>(1.3)</u>	<u>(0.6)</u>

* Bank loans and overdraft includes a £0.2m (2024: £0.2m) interest expense on annuity obligations (note 15).

8. Tax

Accounting policy: current tax

The financial statements do not include any charge or liability for taxation on the results of the LLP as the relevant income tax is the responsibility of the individual members. The LLP aims to retain sufficient funds to settle members' income tax liabilities on their behalf, in relation to their share of profit for the period. This is reflected in members' interests. Some of the companies included within these consolidated financial statements are subject to corporation tax based on their profits for the financial period.

	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Current tax	8.2	9.2
Deferred tax	0.1	(0.2)
Total tax expense	<u>8.3</u>	<u>9.0</u>

Factors affecting the tax charge for the period:

Profit on ordinary activities of corporate subsidiaries before taxation	<u>27.1</u>	<u>29.0</u>
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 25% (2024: 25%)	6.8	7.3
Impact of items not deductible for tax purposes	1.6	1.5
Adjustments to brought forward values	(0.2)	-
Income not subject to taxation	-	(0.1)
Adjustments in respect of prior periods	0.1	0.3
	<u>8.3</u>	<u>9.0</u>

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

8. Tax (continued)

Accounting policy: current tax (continued)

The Group is within the scope of the OECD Pillar Two model rules due to the enactment of the law within some jurisdictions that it operates in. Based on the assessment undertaken for the period ended 4 July 2025, the Group has no related current tax exposure under Pillar Two Legislation in those jurisdictions.

The Group applies the exception to recognising and disclosing information regarding deferred tax assets and liabilities related to Pillar Two income taxes, as provided in amendments to IAS 12 issued in May 2023.

Accounting policy: deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At 4 July 2025, deferred tax assets and liabilities comprise temporary differences between the tax base and the carrying value on capital allowances and depreciation.

Deferred tax is measured at the tax rates that are substantively enacted at the reporting date and expected to apply in the periods in which the temporary differences reverse. It is measured using a tax rate of 25% for the period to 4 July 2025 (2024: 25%).

There was no deferred tax arising in the LLP for the period to 4 July 2025 (2024: £nil).

Group	4 July 2025 (£m)	5 July 2024 (£m)
Balance of deferred tax assets at end of period	-	0.2
Balance of deferred tax liabilities at end of period	<u>(1.8)</u>	<u>(1.9)</u>

9. Intangible assets

Accounting policy

Goodwill

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. It does this by allocating the carrying value of goodwill to cash generating units ('CGUs') and then comparing the carrying value of each CGU with its recoverable amount. The cash generating units have been identified with reference to the specific trade acquired as part of the relevant business combination. The recoverable amount of the CGU has been determined based on value in use ('VIU') calculations. The members are satisfied that no impairment provision was required against the carrying value of the Group's goodwill at the current or previous financial period end. The use of the VIU method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. The future cash flows used in the VIU calculation are based on financial budgets

approved by management, and on prior period profit experience extrapolated to the five-year period to June 2030.

We have assumed a compound annual growth rate of 4.9% (2024: 4.1%) within the next five years. The discount rates used in the VIU calculation are based on a pre-tax estimated weighted average cost of capital of 12% (2024: 12%). At 4 July 2025, the carrying amount of the Group's goodwill was £11.7m (2024: £11.7m). The largest element of goodwill held within the Group is £7.0m in respect of trade acquired by the Group in 2008. A reasonable change in the key assumptions does not have a significant impact on the difference between value in use and the carrying value. The CGUs are at the business stream level as this is the lowest level that the Group monitors goodwill and for which financial information can be obtained.



Notes to the financial statements

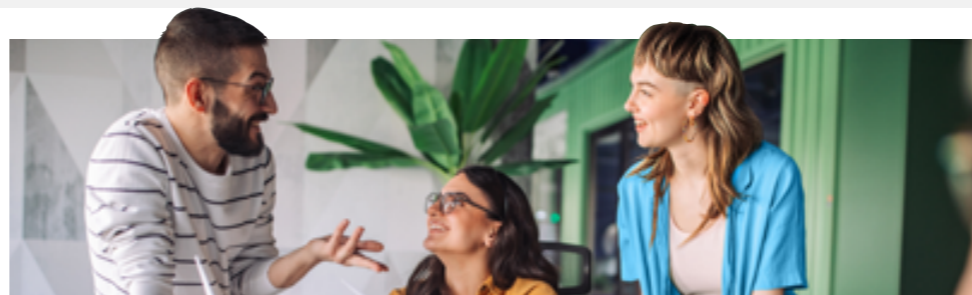
For the 52 weeks ended 4 July 2025 (continued)

9. Intangible assets (continued)

Customer relationships

The fair value of separately identifiable intangible assets acquired as part of the acquisition in 2019 of certain trade and assets of Moore Stephens LLP was evaluated, and customer relationships of £26.9m were identified and capitalised. In subsequent periods, £0.2m has been disposed of. These assets will be amortised over their useful lives of between 5.4 and 7.4 years.

Group	Customer relationships (£m)	Goodwill (£m)	Total (£m)
Cost			
At 30 June 2023, 5 July 2024 and 4 July 2025	26.7	11.7	38.4
Accumulated amortisation/impairment			
At 30 June 2023	19.4	-	19.4
Amortisation charge for the period	4.4	-	4.4
At 5 July 2024	23.8	-	23.8
Amortisation charge for the period	2.6	-	2.6
At 4 July 2025	26.4	-	26.4
Net carrying amount at 30 June 2023	7.3	11.7	19.0
Net carrying amount at 5 July 2024	2.9	11.7	14.6
Net carrying amount at 4 July 2025	0.3	11.7	12.0



LLP	Customer relationships (£m)	Goodwill (£m)	Total (£m)
Cost			
At 30 June 2023, 5 July 2024 and 4 July 2025	3.0	7.0	10.0
Accumulated amortisation/impairment			
At 30 June 2023	2.1	-	2.1
Amortisation charge for the period	0.5	-	0.5
At 5 July 2024	2.6	-	2.6
Amortisation charge for the period	0.2	-	0.2
At 4 July 2025	2.8	-	2.8
Net carrying amount at 30 June 2023	0.9	7.0	7.9
Net carrying amount at 5 July 2024	0.4	7.0	7.4
Net carrying amount at 4 July 2025	0.2	7.0	7.2

Amortisation of intangible assets is included in operating expenses.

10. Property, plant and equipment

Accounting policy

Property, plant and equipment is stated at historic cost less accumulated depreciation and impairment.

The cost of property, plant and equipment is written off by annual instalments over the expected useful economic lives of the assets concerned. Cost includes expenditure that is directly attributable to the acquisition of the asset and any expected cost of reinstatement that has been provided.

The depreciation rates applied to property, plant and equipment are as follows:

- ▶ Leasehold improvements: Five to fifteen years, or the life of the lease if shorter
- ▶ Fixtures, fittings and computer equipment: Two to ten years.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

10. Property, plant and equipment (continued)

Group	Leasehold improvements (£m)	Fixtures, fittings and computer equipment (£m)	Total (£m)
Cost			
At 30 June 2023	42.3	38.0	80.3
Additions	2.5	3.1	5.6
Disposals	(3.9)	(6.7)	(10.6)
At 5 July 2024	40.9	34.4	75.3
Additions	5.6	4.1	9.7
Disposals	(2.8)	(5.7)	(8.5)
At 4 July 2025	43.7	32.8	76.5
Accumulated depreciation/impairment			
At 30 June 2023	35.1	19.9	55.0
Charge for the period	1.8	7.0	8.8
Disposals	(3.6)	(6.4)	(10.0)
At 5 July 2024	33.3	20.5	53.8
Charge for the period	2.0	5.4	7.4
Disposals	(2.8)	(5.3)	(8.1)
At 4 July 2025	32.5	20.6	53.1
Net carrying amount			
At 30 June 2023	7.2	18.1	25.3
At 5 July 2024	7.6	13.9	21.5
At 4 July 2025	11.2	12.2	23.4

LLP	Leasehold improvements (£m)	Fixtures, fittings and computer equipment (£m)	Total (£m)
Cost			
At 30 June 2023	34.5	6.7	41.2
Additions	0.1	0.3	0.4
Disposals	(3.5)	(0.9)	(4.4)
At 5 July 2024	31.1	6.1	37.2
Additions	0.5	-	0.5
Disposals	(1.1)	(0.3)	(1.4)
At 4 July 2025	30.5	5.8	36.3
Accumulated depreciation/impairment			
At 30 June 2023	30.6	5.0	35.6
Charge for the period	0.8	0.4	1.2
Disposals	(3.5)	(0.9)	(4.4)
At 5 July 2024	27.9	4.5	32.4
Charge for the period	0.8	0.4	1.2
Disposals	(1.0)	(0.3)	(1.3)
At 4 July 2025	27.7	4.6	32.3
Net carrying amount			
At 30 June 2023	3.9	1.7	5.6
At 5 July 2024	3.2	1.6	4.8
At 4 July 2025	2.8	1.2	4.0



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

11. Leases

Accounting policy

Lessee accounting

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate for the relevant legal entity on commencement of the lease is used. On initial recognition, the carrying value of the lease liability also includes:

- ▶ amounts expected to be payable under any residual value guarantee
- ▶ any penalties payable for terminating the lease, if the term of the lease has been estimated on the assumption of a termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability increased for:

- ▶ lease payments made at or before commencement of the lease
- ▶ initial direct costs incurred, and
- ▶ the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations – see note 15 – property provisions).

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term (an uncommon scenario).

When the Group revises its estimate of the term of any lease or, when there is a lease modification, it re-assesses the probability of a lessee extension or termination option being exercised and it adjusts the carrying amount of the lease liability to reflect the payments

to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

Nature of leasing activities (in the capacity as lessee)

The Group leases a number of properties. All property leases have periodic rent that is fixed over the lease term. The Group also leases certain items of plant and equipment. Leases of plant and equipment comprise of only fixed payments over the lease terms. Some of these leases are low in value and are therefore expensed on a straight-line basis to the income statement instead of being capitalised. The Group sometimes negotiates break clauses in its property leases. On a case-by-case basis,

the Group will consider whether the absence of a break clause would expose the Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- ▶ the length of the lease term
- ▶ the economic stability of the environment in which the property is located, and
- ▶ whether the location represents a new area of operations for the Group.

The Group has a number of leases with break clauses. These are reviewed during the period to determine whether it is likely that they will be taken. During the current and prior periods, the option to terminate a lease at the point of a break clause was exercised. The impact of this has been presented within lease modifications.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

11. Leases (continued)

	Group Plant and machinery (£m)	Group Land and buildings (£m)	Group Total (£m)	LLP Land and buildings (£m)
ROU assets				
At 30 June 2023	1.2	77.8	79.0	57.5
Additions	-	10.1	10.1	3.2
Modifications	-	(0.9)	(0.9)	-
Depreciation expense	(0.3)	(17.8)	(18.1)	(14.1)
At 5 July 2024	0.9	69.2	70.1	46.6
Additions	-	10.7	10.7	-
Modifications	-	(0.3)	(0.3)	-
Depreciation expense	(0.3)	(18.0)	(18.3)	(13.4)
As at 4 July 2025	0.6	61.6	62.2	33.2
Lease liabilities				
At 30 June 2023	1.2	82.3	83.5	60.2
Additions	-	9.3	9.3	3.2
Interest expense	-	1.4	1.4	0.9
Lease payments	(0.3)	(20.8)	(21.1)	(16.6)
Modifications	-	(0.9)	(0.9)	-
At 5 July 2024	0.9	71.3	72.2	47.7
Additions	-	9.7	9.7	-
Interest expense	-	1.9	1.9	0.7
Lease payments	(0.3)	(19.4)	(19.7)	(15.1)
At 4 July 2025	0.6	63.5	64.1	33.3

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
Total commitments on lease liabilities*				
Up to 1 year	18.9	18.7	14.6	14.5
Between 1 and 2 years	18.4	18.3	14.9	14.7
Between 2 and 5 years	12.0	25.7	3.8	18.5
Over 5 years	14.8	9.5	-	-
	64.1	72.2	33.3	47.7

* Undiscounted contractual cashflows have been disclosed in note 18.

Low value leases - Group

Low value lease expense

	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Low value lease expense	0.3	0.6

On 17 July 2024, a twenty-year lease agreement was signed for 'The M Building' located on Marylebone Lane in London. Lease payments are expected to total £498.0m over the lease term. The lease is due to commence in June 2026.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)



12. Investment in subsidiary undertakings

Accounting policy

Investments in subsidiary undertakings are stated at cost less, where appropriate, provisions for impairment.

	4 July 2025 (£m)	5 July 2024 (£m)
LLP		
Shares in Group undertakings:		
At beginning of the period	2.7	3.3
Impairment of investment	-	(0.6)
Liquidation of investment	<u>(2.7)</u>	-
At end of the period	<u>-</u>	<u>2.7</u>

The subsidiaries in which the LLP has an interest at the period end are detailed opposite.

- ▶ Proportion of voting rights and ordinary share capital held are 100% unless otherwise indicated
- ▶ Country of incorporation, registration, and operation is England and Wales unless otherwise indicated
- ▶ The 33% non-controlling interest in BDO Regulatory Solutions Ltd was acquired by BDO Services Ltd on 23 June 2025 such that 100% of the voting rights and share capital are held at the reporting date
- ▶ A new subsidiary entity, BDO Wave Pty Ltd, was incorporated on 25 November 2024 in South Africa. See footnote 2 on the next page for further detail
- ▶ SH Insurance Ltd was solvently liquidated on 28 July 2025
- ▶ BDO IFI Monrovia Inc was dissolved on 17 March 2025
- ▶ Aside from the above changes, the listing of subsidiary undertakings is unchanged when compared to the prior period.

Subsidiary undertakings

Direct interests:

BDO Nominees Ltd

Indirect Group interests:

BDO LLP Ltd
 New Garden House Pension Trustees Ltd
 BDO Trustees Ltd
 TBW Trustees Ltd
 BDO Pension Trustees Ltd
 BDO Pension Trustees No2 Ltd
 BDO Trustees (MS) Ltd
 Snow Hill Trustees Ltd
 BDO Services Ltd
 BDO Employment Services Ltd
 BDO IFI Services Ltd
 BDO Holdings Ltd
 BDO Regulatory Solutions Ltd

Entities above are all registered at: 55 Baker Street, London, W1U 7EU

Moore Stephens IFI Services Ltd (in solvent liquidation) Professional services

Country of incorporation, registration, and operation is Gibraltar

Registered at: Suite 5, 4 Watergardens, Waterport, Gibraltar

IIDA Harare (Private) Limited (formerly BDO IFI Pvt Ltd) Professional services

Country of incorporation, registration, and operation is Zimbabwe

Registered at: 1 Pombi Close, Glen Lorne, Harare, Zimbabwe

BDO IFI SPRL Professional services

Country of incorporation, registration, and operation is Burundi

Registered at: Building Old East, Place de l'indépendance, Bujumbura, Burundi

Nature of business

Nominee company

Professional services

Trustee company

Trustee company

Trustee company

Trustee company

Trustee company

Trustee company

Trustee company

Trustee company

Professional services

Professional services

Professional services

Holding company

Professional services

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

12. Investment in subsidiary undertakings (continued)

Subsidiary undertakings

Moore Stephens IFI Inc ¹ (in solvent liquidation)

Country of incorporation, registration, and operation is Liberia

Registered at: 81 Sekou Toure Ave, PO Box 1921, Mamba Point, Monrovia, Liberia

MS IFI SARL (in solvent liquidation)

Country of incorporation, registration, and operation is Lebanon

Registered at: Corniche du Fleuve, Victoria Tower Bldg, 4th Floor, Beirut, Lebanon

IFI Maghreb LLC

Country of incorporation, registration, and operation is Tunisia

Registered at: Rue de l'Independence, Ariana 2080, Tunisia

IFI Madagascar SARL

Country of incorporation, registration, and operation is Madagascar

Registered at: Lot S100 Mandikanamana, Alasora, Madagascar

IFI Cameroon SARL

Country of incorporation, registration, and operation is Cameroon

Registered at: 3rd Floor Emmeuble, 4 Etages, PO Box 4155, Douala, Cameroon

BDO Wave Pty Ltd ²

Country of incorporation, registration, and operation is South Africa

Registered at: 106 Park Drive, St Georges, Port Elizabeth, Eastern Cape, 6001

¹ 49% proportion of voting rights and ordinary share capital held. The balance of the voting right is controlled by BDO through a partner based in Liberia required to comply with local laws.

² 70% of the share capital and majority voting rights held.

Nature of business

Professional services

Professional services

Professional services

Professional services

Professional services

Professional services

13. Trade and other receivables

Accounting policy

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest.

They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed.

This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within operating expenses in the consolidated statement of comprehensive income.

On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

13. Trade and other receivables (continued)

Accounting policy (continued)

Impairment provisions (continued)

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

Unbilled revenues on individual client and audited entity assignments are classified as contract assets. Contract assets are measured initially at fair value and held at amortised cost less provisions for expected credit losses. In calculating total unbilled revenue from service contracts, the Group makes certain estimates as to the extent to which performance obligations have been satisfied. In doing so, the Group assesses the time and external costs incurred but unbilled and the client's or audited entity's willingness and ability to pay for the services provided. Estimates of revenue, costs or extent of progress toward completion are revised if circumstances change. Estimates are updated at each reporting date, including

application of any constraint in respect of variable consideration until the uncertainty is resolved. Any resulting increases or decreases in estimated revenues or costs are reflected in the income statement in the period in which the circumstances arose.

The carrying value of trade receivables and unbilled revenue was assessed at the end of the financial period. Expected credit losses in respect of trade receivables have been applied and are disclosed in the subsequent table. Expected credit losses in respect of contract assets of £nil (2024: £nil) have been recognised.

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
Current				
Trade receivables	171.5	167.3	170.7	166.3
Provision for impairment	(4.1)	(4.7)	(4.1)	(4.7)
Net trade receivables	167.4	162.6	166.6	161.6
Contract assets	93.0	100.8	93.0	100.4
Other receivables	3.8	5.8	2.0	4.0
Amounts owed by Group undertakings	-	-	0.1	10.0
Total financial assets held at amortised cost	264.2	269.2	261.7	276.0
Prepayments	21.1	22.9	6.2	6.1
Corporation tax	0.7	-	-	-
Total trade and other receivables	286.0	292.1	267.9	282.1
Non-current				
Other receivables	-	0.2	-	0.2
Prepayments	-	0.2	-	0.2
Deferred tax assets	-	0.2	-	-
	-	0.6	-	0.4

The carrying value of trade and other receivables classified as financial assets are measured at amortised cost. All amounts shown under receivables for the Group and LLP, except for those items classified as non-current, are expected to fall due for payment within one year.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

13. Trade and other receivables (continued)

Accounting policy (continued)

Amounts owed by Group undertakings relate to trading balances with subsidiaries. Credit risk for receivables from Group entities has not varied significantly since their initial recognition.

The contracts with customers are generally for periods of one year or less or carry a right to consideration directly aligned to the performance to date. As a result, the Group has applied the practical expedient set out in IFRS 15.63 to not adjust the promised amounts of consideration for the effects of a significant financing component. Additionally, the Group has applied the practical expedient set out in IFRS 15.121 'Revenue from Contracts with Customers' in respect of presentation of the transaction price allocated to partially or fully unsatisfied contracts with customers.

	Gross carrying amount (£m)	Loss provision (£m)	Expected loss rate %
4 July 2025			
Current	114.7	1.0	0.9%
31-60 days overdue	26.1	0.2	0.8%
61-90 days overdue	11.1	0.1	0.9%
91-270 days overdue	13.7	0.4	2.9%
>270 days overdue	5.9	2.4	40.7%
	<u>171.5</u>	<u>4.1</u>	<u>2.4%</u>
5 July 2024			
Current	113.8	1.4	1.2%
31-60 days overdue	25.4	0.3	1.2%
61-90 days overdue	11.8	0.2	1.7%
91-270 days overdue	12.3	0.7	5.7%
>270 days overdue	4.0	2.1	52.5%
	<u>167.3</u>	<u>4.7</u>	<u>2.8%</u>

Movements in the impairment allowance for trade receivables are as follows:

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
At beginning of period	4.7	5.0	4.7	4.9
Increase during the period	4.1	7.7	4.1	7.8
Unused amounts reversed	(2.3)	(3.3)	(2.3)	(3.3)
Uncollectable receivables written off	(2.4)	(4.7)	(2.4)	(4.7)
At end of period	<u>4.1</u>	<u>4.7</u>	<u>4.1</u>	<u>4.7</u>

The following shows the ageing of trade receivables:

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
Current	114.7	113.8	114.2	112.9
31-60 days overdue	26.1	25.4	26.0	25.3
61-90 days overdue	11.1	11.8	11.1	11.8
91-270 days overdue	13.7	12.3	13.5	12.3
>270 days overdue	5.9	4.0	5.9	4.0
Total	<u>171.5</u>	<u>167.3</u>	<u>170.7</u>	<u>166.3</u>

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

14. Financial liabilities

Accounting policy

The Group's and LLP's financial liabilities comprise:

- ▶ Loans and borrowings - these are initially recognised at fair value net of any transaction costs and are subsequently measured at amortised cost using the effective interest rate method, which ensures that the interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position
- ▶ Trade and other payables - these are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. The carrying value of these liabilities approximates their fair value
- ▶ Lease liabilities – these are recognised as per the accounting policy in note 11.

The Group's and LLP's contract liabilities are non-financial liabilities which represent revenue received in advance of satisfying the performance obligations connected to contracts with customers.

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
Trade and other payables				
Current				
Trade payables	10.7	16.6	7.3	10.0
Other payables	10.2	4.1	5.9	1.5
Accruals	50.9	47.1	17.1	13.2
Amounts due to Group undertakings	-	-	39.1	44.6
Total financial liabilities held at amortised cost	71.8	67.8	69.4	69.3
Corporation tax	-	4.2	-	-
Other taxation and social security	40.8	40.1	36.4	37.5
Total trade and other payables (excluding contract liabilities)	112.6	112.1	105.8	106.8
Contract liabilities	22.3	21.4	22.3	21.4
Total trade and other payables	134.9	133.5	128.1	128.2

The carrying amount of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

The opening balance of contract liabilities of the Group and LLP and value recognised as revenue is shown in the table below:

	4 July 2025 (£m)	5 July 2024 (£m)
Opening contract liabilities	21.4	20.9
Value recognised as revenue in period	19.4	16.7

Amounts due to Group undertakings consist of trade amounts outstanding with subsidiaries. Trading amounts owed to Group undertakings are unsecured, interest free and repayable on arms-length terms.

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
Loans and borrowings				
Current				
Amounts due to former members	10.6	10.1	10.6	10.1
Non-current				
Amounts owed to related parties	-	0.4	-	-
Amounts due to former members	0.7	0.8	0.7	0.8
Members' capital	1.7	1.7	1.7	1.7
Amounts due to members	244.2	254.5	244.2	254.5
	246.6	257.4	246.6	257.0
Total loans and borrowings	257.2	267.5	257.2	267.1



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

14. Financial liabilities (continued)

Amounts due to former members and partners

The amounts due to former members and partners comprise the amounts repayable in accordance with the members' agreement and the related cash flows are classified as financing in the statement of cash flows. Members' interests (including but not limited to any amounts due to members) are subordinated in favour of bank borrowings. Amounts due to members rank equally with other unsecured creditors that are not banks in the event of a winding up. Members' other interests, represented by members' other reserves (equity), rank after all unsecured creditors. The relevant contractual maturities of these amounts have been disclosed in note 18.

15. Provisions

Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Professional indemnity

In common with comparable professional practices, the Group is involved in a number of disputes in the ordinary course of business which may give rise to claims by clients and audited entities or investigations commenced by regulatory bodies which may lead to regulatory proceedings. Where costs are likely to be incurred in defending and concluding such matters and can be measured reliably, they are provided for in the financial statements. The Group carries professional indemnity insurance, and any expected reimbursements are recognised when material and virtually certain. No separate disclosure is made of the detail of such claims or proceedings, or the costs recovered by insurance as further disclosure could be seriously prejudicial to the Group. Where there are associated insurance recoveries in relation to professional indemnity provision costs that are covered by insurance, these are presented gross and included within other receivables.

Claims and regulatory proceedings are the area most likely to give rise to a contingent liability for the Group. There are no contingent liabilities in relation to this.

Property provisions

Provision is made for estimated dilapidations including reinstatement costs (where there is an obligation to restore premises to their original condition upon vacating them under the terms of the lease). The costs related to the repair and maintenance of equipment and properties that are used by the Group and for which the Group has responsibility to maintain or may be liable for dilapidation, are provided for as they arise.



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

15. Provisions (continued)	Annuities (£m)	Professional indemnity (£m)	Property (£m)	Total (£m)
Group				
At 30 June 2023	4.6	5.3	9.7	19.6
Utilisation	(0.5)	(14.2)	(1.2)	(15.9)
Additions	0.1	17.3	0.1	17.5
Reversals of unused amounts	-	(1.4)	-	(1.4)
Recognition of insurance receivables	-	6.6	-	6.6
At 5 July 2024	4.2	13.6	8.6	26.4
Utilisation	(0.5)	(6.4)	(0.2)	(7.1)
Additions	0.2	8.3	1.4	9.9
Reversals of unused amounts	(0.3)	(0.6)	(0.2)	(1.1)
At 4 July 2025	3.6	14.9	9.6	28.1
LLP				
At 30 June 2023	0.1	7.9	5.6	13.6
Utilisation	-	(12.9)	(0.9)	(13.8)
Additions	0.1	17.3	-	17.4
Reversals of unused amounts	-	(1.4)	(0.3)	(1.7)
Recognition of insurance receivables	-	2.7	-	2.7
At 5 July 2024	0.2	13.6	4.4	18.2
Utilisation	-	(6.4)	-	(6.4)
Additions	-	8.3	0.3	8.6
Reversals of unused amounts	(0.1)	(0.6)	-	(0.7)
At 4 July 2025	0.1	14.9	4.7	19.7

	Group 4 July 2025 (£m)	Group 5 July 2024 (£m)	LLP 4 July 2025 (£m)	LLP 5 July 2024 (£m)
Current	16.4	14.9	15.6	14.1
Non-Current	11.7	11.5	4.1	4.1
Total	28.1	26.4	19.7	18.2



Annuities

On 1 February 2019 BDO Services Ltd, a Group entity, acquired certain trade and assets of Moore Stephens LLP. This included the assumption of responsibility for former partner annuities amounting to £6.9m. The closing balance of the annuities provision is inclusive of this acquisition.

Professional indemnity

The professional indemnity provision relates to the expected cost of defending claims and, where appropriate, the estimated cost of settling claims. The average period claims remained open, based on all cases opened and closed for the last five years, is 39 months (2024: 43 months).

Property provisions

The property provisions are based on estimated future cash flows discounted to present value, with the amortisation of that discount presented in the income statement as a finance cost. The risk-free rate has been used to discount the future cash flows. These are expected to be paid at the end of the lease terms in 1 to 14 years.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

16. Related party transactions

The subsidiary undertakings listed in note 12 are related parties of the LLP. The transactions entered into with subsidiaries during the period are eliminated on consolidation. These transactions include management charges and charges for the cost of services provided. The LLP's receivables and payables owed by/due to group undertakings at the reporting date have been disclosed within notes 13 and 14.

The following table provides the total amount of transactions entered into with subsidiaries during the period:

LLP	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Income earned from subsidiaries	0.4	55.2
Services provided by subsidiaries	(683.2)	(663.4)
Dividend income	0.8	0.8
Finance income	0.6	1.0

The main trading subsidiary undertakings, BDO Services Ltd, BDO LLP Ltd, BDO Regulatory Solutions Ltd, BDO IFI Services Ltd and BDO Holdings Ltd, are managed by eight Directors who are also members of BDO LLP. The remuneration of these members is shown in the table below. There was no management personnel compensation for any type of benefits.

	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Lowest paid director	-	-
Highest paid director	0.3	0.3
Total directors' remuneration	1.3	1.4

17. Pensions

Accounting policy

The Group's arrangements for post-retirement benefits are classified under three categories.

- ▶ The active Group Personal Pension Plan open to all current employees. This defined contribution scheme has operated since 2011
- ▶ The legacy defined benefit schemes and defined contribution scheme (the 'legacy schemes'). The defined benefit sections are closed to new members and future accrual
- ▶ Members of the LLP are required to make their own provision for pensions. The Group makes no contributions to such pensions.

All pension arrangements are accounted for in accordance with IAS 19 Employee Benefits.

Annuities to former partners and employees of the LLP have been provided in full within provisions for liabilities (note 15).

The legacy schemes

The legacy schemes consist of the following:

Scheme name	Section
BDO Pension Scheme Defined benefit	Defined benefit
BDO Pension Scheme Defined contribution	Defined contribution
BDO ES Pension Scheme Defined benefit	Defined benefit
BDO ES Manchester Scheme Defined benefit	Defined benefit

The BDO Pension Scheme sections are collectively referred to as the 'PS Scheme', the BDO ES Pension Scheme is referred to as the 'ES Scheme', and the BDO ES Manchester Scheme is referred to as the 'ES Manchester Scheme'.



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

17. Pensions (continued)

The legacy schemes (continued)

Each of the three schemes is administered by a separate board of trustees which is legally separate from the LLP. The Trustees are composed of representatives of both the firm and the members within the pension schemes. The Trustees are required by law to act in the interest of all relevant beneficiaries and are responsible for the investment policy regarding the assets plus the day-to-day administration of the benefits.

The Group makes no contributions to the defined contribution sections of the Schemes. There are no outstanding or prepaid contributions to the Schemes at 4 July 2025 (2024: £nil).

The amounts quoted in these financial statements for all three defined benefit sections are based on valuations at the period end undertaken for IAS 19 purposes. The valuation was performed by a qualified actuary from Broadstone Pension & Investment Limited ('Broadstone') at 4 July 2025.

In addition to the annual IAS 19 valuations, formal actuarial valuations of the defined

benefit sections are carried out every three years. The most recent signed actuarial valuations conducted under the new Scheme Funding Regulations (Pensions Act 2004) were:

- ▶ The PS Scheme – 30 June 2021 by Broadstone
- ▶ The ES Scheme – 1 April 2023 by Broadstone
- ▶ The ES Manchester Scheme – 30 April 2022 by Aviva.

The PS Scheme valuation at 30 June 2024 is currently being conducted. In accordance with the Funding Regulations, this report will be issued on or before 30 September 2025.

Where the assets of the Schemes are not sufficient to cover administration costs, the Group pays for the costs directly.

Bulk annuity insurance contract

On 25 June 2025, the Trustees of the PS Scheme and ES Scheme ('the Schemes') entered into a bulk annuity insurance contract with an insurer in respect of the liabilities of the defined benefit

sections ('buy-in'). This did not include the BDO ES Manchester scheme which will continue to operate independently.

The insurer will pay into the Schemes cash matching the benefits due to members. The Trustees continue to be responsible for running the Schemes and retain the legal obligation for the benefits provided under the Schemes.

As the buy-in policy is a qualifying insurance asset, the fair value of the insurance policy is deemed to be the present value of the obligations that have been insured. The policy secured matches the benefits due to the Schemes' members under the Schemes' Trust Deeds and Rules. These policies secure 100% of members' benefits.

The assets of the ES Scheme were greater than the premium required to secure the liabilities. The PS Scheme required a contribution from the LLP of £5.4m to secure their policy. Following the purchase of the buy-in policies, there is no ongoing mandatory contribution level set for either scheme.

Over the next 12 to 18 months, a data cleanse exercise will be undertaken formally to agree the final benefits that are covered by the buy-in contract. After the conclusion of the exercise, a 'true-up' will be calculated which may result in an additional payment to or a refund from the insurer for each of the schemes.

Prior to the buy-in, the Schemes exposed the Group to a number of actuarial risks such as longevity risk, inflation risk, interest rate risk, and market risk. The buy-in mitigates the majority of these risks and the principal risk remaining is the credit risk associated with the insurer, which is assessed to be very low.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

17. Pensions (continued)

Key actuarial assumptions

At the reporting date, the key actuarial assumptions were as follows:

Key actuarial assumptions		4 July 2025	5 July 2024
Discount rate	%	5.4	5.0
Rate of inflation - RPI	%	3.2	3.6
Rate of inflation - CPI	%	2.8	3.1
Commutation - Percentage of pension	%	20.0	20.0

Life expectancies from age 65:

Male currently aged 65	Years	85.7	85.6
Female currently aged 65	Years	88.2	88.2
Male currently aged 45	Years	86.7	86.6
Female currently aged 45	Years	89.4	89.3

Risk and sensitivity

Following the buy-in, changes in actuarial assumptions of the PS Scheme and ES Scheme will impact the liabilities and insurance assets to the same extent with no overall impact on the net reporting position. The liabilities and net assets of the Manchester ES scheme are not material to the Group. A reasonable change in the key actuarial assumptions of this scheme does not result in a material change to the liabilities or assets of the scheme.

As a result, the Group is not exposed to any material risk based on changes in underlying actuarial assumptions and accordingly, no information regarding the sensitivities is provided in the financial statements.

Reconciliation of funded status to statement of financial position

Defined benefit obligation	4 July 2025 (£m)	5 July 2024 (£m)
	(63.0)	(70.0)
Fair value of plan assets	63.9	69.9
Net defined benefit asset/(liability)	0.9	(0.1)

Reconciliation of defined benefit obligation over the period

Defined benefit obligation at the start of the period	4 July 2025 (£m)	5 July 2024 (£m)
	(70.0)	(69.6)
Interest expense on defined benefit obligation	(3.3)	(3.4)
Remeasurement - experience adjustment gain/(loss)	1.0	(0.2)
Remeasurement - changes in financial assumptions gain/(loss)	3.2	(2.0)
Remeasurement - changes in demographic assumptions gain	-	0.1
Benefits paid	6.1	5.1
Defined benefit obligation at the end of the period	(63.0)	(70.0)

Assets

Bonds	4 July 2025 (£m)	5 July 2024 (£m)
	0.6	62.8
Equities and property	0.6	0.6
Bulk annuity policies	56.9	-
Contributions due relating to buy-in	5.4	-
Other annuity policies	3.9	4.0
Other assets	58.9	2.5
Bulk annuity policy premium due	(62.4)	-
	63.9	69.9

For both the current and prior period, the assets across all schemes were unquoted. In the current period, other assets include £58.9m cash. The contribution due from BDO was paid on 8 July 2025 and the schemes paid the bulk annuity policy premium due on the same day.



Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)



17. Pensions (continued)

Reconciliation of fair value of plan assets over the period	4 July 2025 (£m)	5 July 2024 (£m)
Fair value of plan assets at the start of the period	69.9	69.7
Interest income on plan assets	3.3	3.4
Remeasurement – return on plan assets excluding interest income	(4.2)	0.7
Contributions by the employer	1.1	1.2
Contributions due relating to buy-in	5.4	-
Loss arising from buy-in transaction	(5.5)	-
Benefits paid	(6.1)	(5.1)
Fair value of plan assets at the end of the period	63.9	69.9
Return on plan assets	(0.9)	4.1

Reconciliation of funded position	4 July 2025 (£m)	5 July 2024 (£m)
Net defined benefit liability at start of period	(0.1)	(0.6)
Loss recognised in other comprehensive income	(5.5)	(1.4)
Decrease in minimum funding requirement	-	0.7
Contributions by the employer	1.1	1.2
Contributions due relating to buy-in	5.4	-
Net defined benefit asset/(liability) at end of period	0.9	(0.1)

There was no net impact on the income statement arising from the defined benefit pension schemes in the current or prior period.

Analysis of transactions recognised in other comprehensive income	52 weeks ended 4 July 2025 (£m)	53 weeks ended 5 July 2024 (£m)
Remeasurement – experience adjustments gain/(loss)	1.0	(0.2)
Remeasurement – changes in financial assumptions gain/(loss)	3.2	(2.0)
Remeasurement – changes in demographic assumptions gain	-	0.1
Remeasurement – return on plan assets excluding interest	(4.2)	0.7
Decrease in minimum funding requirement	-	0.7
Loss arising from buy-in transaction	(5.5)	-
Total loss recognised in other comprehensive income	(5.5)	(0.7)

Impact of Virgin Media vs NTL Pension Trustees II Limited

Following the Court of Appeal's verdict on 25 July 2024 to uphold the High Court's decision on the case of Virgin Media vs NTL Pension Trustees II Limited, the schemes' trustees have reviewed the policies and do not believe there are any additional liabilities as a result of the ruling.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

18. Financial instruments – risk management

The Group and the LLP are exposed through their operations to the following financial risks:

- ▶ Capital risk
- ▶ Credit risk
- ▶ Interest rate risk
- ▶ Foreign exchange risk
- ▶ Liquidity risk

The Leadership Team has overall responsibility for the determination of the Group's and LLP's financial risk management objectives and policies. The Leadership Team receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's and LLP's competitiveness and flexibility. Further details regarding the financial risk policies are described below.

Capital risk

The Group and the LLP monitor their capital which comprises total members' interests, i.e. members' capital, amounts due to members and amounts classified as equity, cash and cash equivalents and their loans and borrowings.

The Group's and the LLP's objectives when maintaining capital are to safeguard the ability to continue as a going concern so that they can continue to provide returns for all their stakeholders and optimise their debt and equity balance.

Credit risk

Credit risk is the risk of financial loss to the Group and LLP if a client, audited entity or counterparty to a financial instrument fails to meet its contractual obligations. The Group and LLP are mainly exposed to credit risk through credit sales. Credit risk is determined by on-going monitoring of the creditworthiness of existing clients and audited entities and through on-going review of the trade receivables' ageing analysis. Further details regarding the credit risk associated with trade receivables and contract

assets are given in note 13. Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, typically only independently rated parties with a minimum rating of 'A' are accepted. The Group's principal bankers and their current long-term Fitch credit ratings are shown below:

	At 4 July 2025	At 5 July 2024
Natwest Group PLC	A+	A+
Lloyds Banking Group PLC	A+	A
HSBC Holdings PLC	A+	A+
Barclays PLC	A	A

Interest rate risk

Interest rate risk arises from borrowings held at variable interest rates linked to the Sterling Overnight Index Average (SONIA). A movement of 100 basis points in the interest rate on the Group's and LLP's variable rate borrowings through the period would have resulted in an additional income statement credit of £0.3m (2024: charge of £0.1m). This is expected to be a similar value during the 2026 financial period.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

18. Financial instruments – risk management (continued)

Foreign exchange risk

Foreign exchange risk arises when the Group enters into transactions denominated in a currency other than its functional currency (Pounds Sterling). The major part of the Group's and LLP's income and expenditure is in Pounds Sterling and any foreign exchange risk is managed by on-going review of reports analysing the Group's and LLP's actual and forecast exposure to monetary assets and liabilities held in foreign currencies. Whenever possible, the Group and the LLP seek to match their foreign currency assets, liabilities, cash inflows and outflows in the same currency. A material movement in the United States Dollar or Euro exchange rate would not have a material impact over the next period on the pre-tax profits of the Group.

Liquidity risk

Liquidity risk arises from the Group's and LLP's management of working capital and the finance charges and principal repayments on their borrowings. It is the risk that the Group and LLP will encounter difficulty in meeting their financial obligations as they fall due. The Group's and LLP's policy is to ensure that they will always have sufficient cash to allow them to meet their liabilities when they become due. To achieve this aim, they seek to maintain cash balances and borrowing facilities to meet their expected requirements. The Leadership Team receives cash flow projections on a monthly basis as well as information regarding cash balances and borrowing facilities. The Group's and LLP's facilities, drawn and undrawn, at 4 July 2025 totalled £110.0m (2024: £110.0m). The Group's revolving credit facility was increased from £100.0m to £150.0m on 16 September 2025 with four leading banks. The new facility expires on 31 October 2029. The agreement includes two one-year extension options.

During the period, the Group utilised its revolving credit facility to satisfy short-term liquidity requirements. During the period, the largest utilised value was £44.0m (2024: £34.0m).

The tables below analyse the financial liabilities into relevant maturity groupings based on their undiscounted contractual cashflows.

Contractual maturities of liabilities	Within one year (£m)	Between 1 and 5 years (£m)	Over 5 years (£m)	Total contractual cash flows (£m)	Carrying amount (£m)
Group					
At 4 July 2025					
Trade and other payables	71.8	-	-	71.8	71.8
Amounts due to former members	10.6	0.7	-	11.3	11.3
Lease liabilities	20.5	34.5	17.3	72.3	64.1
Members' capital	-	-	1.7	1.7	1.7
Amounts due to members	-	244.2	-	244.2	244.2
	<u>102.9</u>	<u>279.4</u>	<u>19.0</u>	<u>401.3</u>	<u>393.1</u>
At 5 July 2024					
Trade and other payables	67.8	-	-	67.8	67.8
Amounts owed to related parties	-	0.4	-	0.4	0.4
Amounts due to former members	10.1	0.8	-	10.9	10.9
Lease liabilities	20.1	46.9	11.5	78.5	72.2
Members' capital	-	-	1.7	1.7	1.7
Amounts due to members	-	254.5	-	254.5	254.5
	<u>98.0</u>	<u>302.6</u>	<u>13.2</u>	<u>413.8</u>	<u>407.5</u>

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

18. Financial instruments – risk management (continued)

Contractual maturities of liabilities	Within one year (£m)	Between 1 and 5 years (£m)	Over 5 years (£m)	Total contractual cash flows (£m)	Carrying amount (£m)
LLP					
At 4 July 2025					
Trade and other payables	69.4	-	-	69.4	69.4
Amounts due to former members	10.6	0.7	-	11.3	11.3
Lease liabilities	14.7	18.9	-	33.6	33.3
Members' capital	-	-	1.7	1.7	1.7
Amounts due to members	-	244.2	-	244.2	244.2
	<u>94.7</u>	<u>263.8</u>	<u>1.7</u>	<u>360.2</u>	<u>359.9</u>
At 5 July 2024					
Trade and other payables	69.3	-	-	69.3	69.3
Amounts due to former members	10.1	0.8	-	10.9	10.9
Lease liabilities	15.2	33.9	-	49.1	47.7
Members' capital	-	-	1.7	1.7	1.7
Amounts due to members	-	254.5	-	254.5	254.5
	<u>94.6</u>	<u>289.2</u>	<u>1.7</u>	<u>385.5</u>	<u>384.1</u>

Amounts due to known retiring members are included in 'amounts due to former members'. The contractual maturities are in accordance with the members' agreement. A significant portion of amounts due to members would usually be distributed in the following period. However, the Leadership Team has the right to defer distributions to members beyond twelve months after the reporting period. These balances have therefore been excluded from the 'within one year' category.

19. Borrowings

Group	Non-current borrowings (£m)	Current borrowings (£m)	Lease liability (£m)	Members' capital (£m)	Amounts due to current and former members (£m)
At 30 June 2023					
Proceeds from borrowings	0.4	-	-	-	-
Capital contributions by members	-	-	-	0.2	9.1
Capital repayments to members	-	-	-	(0.1)	(4.9)
Lease liability paid	-	-	(19.7)	-	-
Payment to former members	-	-	-	-	(13.3)
Payment to members	-	-	-	-	(183.4)
Net interest paid	-	(0.5)	(1.4)	-	-
Other non-cash movements*	-	0.5	9.8	-	216.8
	<u>0.4</u>	<u>-</u>	<u>72.2</u>	<u>1.7</u>	<u>265.4</u>
At 5 July 2024					
Proceeds from borrowings	0.1	-	9.7	-	-
Capital contributions by members	-	-	-	0.2	8.5
Capital repayments to members	-	-	-	(0.2)	(3.1)
Lease liability paid	-	-	(17.8)	-	-
Payment to former members	-	-	-	-	(10.1)
Payment to members	-	-	-	-	(203.0)
Net interest paid	-	(0.9)	(1.9)	-	-
Other non-cash movements*	(0.5)	0.9	1.9	-	197.8
	<u>-</u>	<u>-</u>	<u>64.1</u>	<u>1.7</u>	<u>255.5</u>
At 4 July 2025					

* Non-cash flow movements relate to the allocation of profit to members, lease liability movements, waiver of related party loans and finance costs.

Notes to the financial statements

For the 52 weeks ended 4 July 2025 (continued)

19. Borrowings (continued)

LLP	Current borrowings (£m)	Lease liability (£m)	Members' capital (£m)	Amounts due to current and former members (£m)
At 30 June 2023	-	60.2	1.6	241.1
Capital contributions by members	-	-	0.2	9.1
Capital repayments to members	-	-	(0.1)	(4.9)
Lease liability paid	-	(15.7)	-	-
Payment to former members	-	-	-	(13.3)
Payment to members	-	-	-	(182.0)
Net interest paid	(0.6)	(0.9)	-	-
Other non-cash movements*	0.6	4.1	-	215.4
At 5 July 2024	-	47.7	1.7	265.4
Capital contributions by members	-	-	0.2	8.5
Capital repayments to members	-	-	(0.2)	(3.1)
Lease liability paid	-	(14.4)	-	-
Payment to former members	-	-	-	(10.1)
Payment to members	-	-	-	(201.4)
Net interest paid	(0.9)	(0.7)	-	-
Other non-cash movements*	0.9	0.7	-	196.2
At 4 July 2025	-	33.3	1.7	255.5

* Non-cash flow movements relate to the allocation of profit to members, lease liability movements and finance costs.

20. Post balance sheet events

A new £150.0m revolving credit facility agreement was signed after the reporting date on 16 September 2025. This replaces the prior £100.0m facility. Please refer to note 18 for further details.

On 5 July 2025, a new members' agreement became effective impacting how the profits of the LLP are divided. Profits from this date, after making equitable adjustments, will no longer be divided entirely automatically between members but will instead be at the discretion of the Leadership Team.

The Leadership Team will continue to retain control over the timing of payments to members and may defer the settlement of these amounts beyond twelve months after the reporting period.

No other post balance sheet events that would materially affect the 2025 financial period have occurred up to the date of signing the Annual Report.

Energy and carbon report

For the 52 weeks ended 4 July 2025

Introduction

For the 52 weeks ended 4 July 2025, the LLP has prepared its climate-related financial disclosures in compliance with the requirements of the Limited Liability Partnerships (Climate-Related Financial Disclosure) Regulations 2022 ('the LLP Regulations').

This is our third year of reporting against the LLP Regulations – a disclosure aligned to the Taskforce for Climate-Related Financial Disclosures framework. We are pleased to show how we integrate climate risk into our strategic thinking and ways of working.

This year we have provided more detailed insights in supplementary documents, which have been signposted throughout this climate disclosure.

This report has been approved by the LLP's members. A list of individuals who were members (as defined in the Limited Liability Partnerships Act 2000) throughout the period can be found at <https://find-and-update.company-information.service.gov.uk/company/OC305127/officers>.

This statement is signed for and on behalf of our members as below:



A stylized, handwritten signature in black ink, appearing to read 'Stuart Collins'.

STUART COLLINS
Designated Member
and Finance Partner

Governance

The LLP's most senior governance body, the Partnership Council ('PC'), has ultimate oversight of the assessment of climate-related risks and opportunities. Our Leadership Team develops strategies to manage these. The PC receives bi-annual briefings on climate, plus additional briefings if the need should arise. In the prior period the PC updated its terms of reference to state that climate risk is within its remit, and it has a responsibility to ensure climate is considered in the LLP's decision making.

Our Senior Partner is elected to chair our PC providing the insight and oversight to support and challenge the Leadership Team on climate issues. The PC has received a detailed briefing on climate risk, and our Senior Partner has taken external training with a respected external provider to upskill him for his role and responsibility.

The Audit Committee ('AC') is responsible for independent oversight of the LLP's financial and non-financial reporting in its Annual Report, interaction with the external auditors, and oversight of the internal audit function. These responsibilities include assessing the adequacy of the Firm's Streamlined Energy and Carbon Reporting ('SECR') as well as regulatory compliance with climate risk reporting under the LLP Regulations.

For further information

In our Transparency Report you can find more information on our wider governance and leadership structure.



Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

Strategy

Our principal climate risks and opportunities relate to:

- ▶ Clients and markets – our ability to maintain strong climate credentials so that our clients will choose BDO for climate and other non-climate related services.
- ▶ The potential for sectors we service to grow and decline due to climate impacts.
- ▶ Business continuity and resilience – our ability to plan for and manage the physical impacts of chronic and acute weather events caused by climate change.
- ▶ Regulatory and reporting compliance – our ability to maintain accuracy in our reporting on climate in a way that meets regulatory and market expectations.
- ▶ Brand and reputation – our ability to meet the societal expectations of business on climate issues.

We use three time horizons to assess climate risks:

Period	Date	Rationale
Short-term	Up to 2 July 2027 (Our FY26 and FY27)	We have rolled forward our 2-year short-term planning period so that we are viewing climate risks over comparable timeframes year on year
Medium-term	July 2027 – June 2032 (our FY28- FY32)	This timeframe aligns with our current 5- year planning horizon and covers our 2030 near-term Net-Zero target year
Long-term	July 2032 – June 2050 (Our FY33 to FY50)	This period is our long-term planning horizon and aligns with our Net-Zero Plan

We have broken down our principal climate-related risks and opportunities listed above into sub-risks, set out in table 1 on the subsequent page. For each of these risks we have determined the nature of the risk, whether it is a transition or physical risk, the time frame over which it might crystallise and the measures and key performance indicators we can use to track the development of the risks and the effectiveness of our management or mitigation measures.

As we evolve our thinking and develop our tracking and management of climate risks, our data points and decision-useful KPIs are improving. We currently track and regularly report our greenhouse gas ('GHG') emission performance to management oversight groups as it relates to our Net-Zero targets. We also have other sources of data readily available. KPIs in orange text in table 1 denote available data that will be tracked from the next financial period. KPIs in black text are already tracked. In our next financial period, these KPIs will be monitored and reported to our Operations Executive and People Culture & Purpose Executive.

Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

Strategy (continued)

Table 1: Our view of climate risk and opportunity³

Risk / Opportunity	Physical / Transition risk ⁴	Actual / Potential risk	Time frame	Mitigation	KPI
1. Clients and markets					
1.1 Ineffective strategy to capture market opportunities results in loss of market share as clients seek climate and other services elsewhere	T	P	S-M-L	• Investment in our Sustainability Strategy Consulting services, market monitoring	Clients and markets research
1.2 Unanticipated shift in client preferences prompting changing demand that we cannot meet results in loss of market share as clients seek climate and other services elsewhere	T	P	S-M-L	• Market monitoring, including key client insights	Clients and markets research
1.3 Lack of understanding / failure to meet our clients' minimum requirements on ESG and climate results in loss of access to bids	T	P	S-M-L	• Tracking trends in bids and tenders • Maintaining high scores in ESG frameworks • Setting market leading targets for climate	Tracking ESG element in bids
2. Continuity and resilience					
2.1 Lack of understanding of the impacts of a changing climate results in greater financial exposure and uncertainty	P	P	M-L	• Provide regular training, briefings and coaching for leaders in decision making positions	Leadership take-up and completion of training

³ The climate related risks and opportunities noted here are categorised slightly differently to the risks and opportunities that were tested as part of our scenario analysis in the current and prior period. Our view of risks and how we categorise them for management has evolved because of our Double Materiality Assessment (June 2025) and a Principal Risk Review (June 2025). For our recent climate scenario analysis, conducted in July 2025, we continued to use the set of risks identified for our scenario analysis in the prior period. This provided useful consistency across the years and comparability between our scenarios. In the subsequent period we will streamline these two views of risk.

⁴ We categorise climate risks as either transitional i.e. risks related to the transition to a lower-carbon economy, or physical i.e. risks related to the physical impacts of climate change.



Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

Strategy (continued)

Table 1: Our view of climate risk and opportunity (continued)

Risk / Opportunity	Physical / Transition risk ⁴	Actual / Potential risk	Time frame	Mitigation	KPI
2. Continuity and resilience (continued)					
2.2 Lack of understanding of the impact of climate change on energy management results in greater exposure to energy price fluctuations and reduced business resilience	p	P	M-L	• Integrate climate into our property strategy decisions to reduce energy price risk in our portfolio	Utility usage and spend data
2.3 Lack of understanding of the physical impacts of climate change results in greater disruption to our real estate, data centres, or value chain	P	P	M-L	• Understand and manage physical disruption of chronic and acute weather events in our business continuity planning	Business continuity incidents caused by climate related issues
3. Regulation and reporting compliance					
3.1 Perceived or actual misleading communications (greenwashing) arising from poor governance, internal training and skills results in reputation damage and regulatory sanctions	T	P	S-M-L	• Ensure training for staff in reporting and communications role	Number of relevant employees attending annual greenwashing training
3.2 Regulatory non-compliance arising from poor governance, training and skills results in reputation damage and regulatory sanctions	T	P	S-M-L	• Ensure robust review and approvals processes are in place to reduce inaccurate reporting • Consider how second line defence can identify weakness in controls	Regulatory investigations, findings, or sanctions

Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

Strategy (continued)

Table 1: Our view of climate risk and opportunity (continued)

Risk / Opportunity	Physical / Transition risk ⁴	Actual / Potential risk	Time frame	Mitigation	KPI
4. Brand and reputation					
4.1 Missed Net-Zero / emissions-based targets arising from poor planning and change management results in brand and reputation damage	T	P	M-L	• Leadership support for policy, culture and behaviour change needed to secure progress	Emissions and engagement data (tonnes carbon dioxide equivalent (tCO ₂ e) GHG emissions and % emissions under science-based targets (SBTs))
4.2 Actual or perceived poor performance on climate results in negative stakeholder scrutiny and media attention impacting our ability to attract and retain clients and talent	T	P	M-L	• Ensure processes in place to integrate climate into business strategies and decision-making	Media sentiment monitoring

In May 2025, we conducted a 'Taskforce on Nature-related Financial Disclosures ('TNFD') readiness assessment' to review our nature and biodiversity impacts, dependencies, risks, and opportunities, and explore how these may impact our climate risks. Key nature risks were identified that have an interdependency on climate impact and action.

These were:

- ▶ Pollution and waste generation through our downstream client sectors,
- ▶ Land use in our upstream value chain, particularly with outsourced data centres and cloud services, and
- ▶ Water-related risks arising from BDO's upstream reliance on services such as data centres.

We will now consider how to integrate nature risks into our climate and environmental risks in the subsequent period.



Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

What our Climate Scenario Analysis tells us about our exposure to climate risk

Climate change exposes our firm to both transition risks and opportunities, arising from the move to a lower-carbon economy, and physical risks and opportunities, arising from the impacts of chronic and acute weather patterns as our climate changes. These risks and opportunities materialise in different ways in different scenarios.

Our choice of scenarios

Our Carbon & Climate Advisory team conducted scenario analysis and financial quantification using a stochastic modelling approach, based on consultation with an internal stakeholder group – members of our Climate Risk Working Group.

We continue to use the work of the Network for Greening the Financial System ('NGFS') as the basis of our scenario analysis, selecting those most relevant to us. The NGFS provides 7 different scenarios combining a range of warming pathways and societal action. In the current period, we conducted our analysis using 'NGFS Fragmented World' and the updated modelling for NGFS 'Delayed Transition'. This builds on prior years' analysis of 'NGFS Net-Zero 2050' and 'NGFS Delayed Transition'.

Table 2: NGFS scenarios ⁵

	Policy ambition	Policy reaction	Technology change	Carbon dioxide removal	Regional policy variation
FY24: NGFS Delayed Transition scenario	1.7 °C	Delayed	Slow/fast	Low-medium use	High variation
FY25: NGFS Fragmented World scenario	2.4 °C	Delayed and fragmented	First slow then fragmented	Low-medium use	High variation

⁵ NGFS Seven scenarios to assess physical and transition risks



Our approach

For each risk and opportunity we determined the nature of the financial impact and identified a financial metric. The potential change in the metrics resulting from the risks and opportunities were derived by discussion in stakeholder workshops facilitated by our Carbon & Climate Advisory team. We considered the climate scenarios and supporting data, the business strategy and risk mitigation measures. The collective impact of the risks and opportunities was then modelled, enabling us to compare pre and post-mitigation impacts in each scenario and each of the time horizons. We incorporated an estimate of the cost of our mitigation measures, which is an improvement to the methodology we used in the prior period.

Our conclusions

To draw conclusions, we use the median (central value) of the range of potential impacts, expressed as a percentage of forecast average annual profits in the respective time period, to summarise the financial impact in the two scenarios.

Under both scenarios there is increasing uncertainty over time, and our analysis shows there is the potential to experience a net positive or net negative financial impact, with the range of potential impacts being greatest in the long term.

Under the Delayed Transition scenario, there will be significant pressure on carbon-intensive businesses to decarbonise in the medium to long term, mirrored by strong growth in sectors that enable the Net-Zero economy. On balance this represents a risk to BDO in the short and medium term, but an opportunity in the long-term.



Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

What our Climate Scenario Analysis tells us about our exposure to climate risk (continued)

Our conclusions (continued)

Despite greater physical risks, our analysis shows that the Fragmented World scenario is, on balance, likely to result in lower financial impacts – positive or negative – than Delayed Transition. This is because within the Fragmented World scenario, the market drivers, including Net-Zero policies, which impact our client base, are slightly weaker than in the Delayed Transition Scenario – Net-Zero policies will be in place in some jurisdictions, but the wider picture will be more fragmented.

When considering our growing range of scenario insights, we see that our business and our operating model is most resilient – and able to access greater market opportunities in an orderly transition to a Net-Zero world (NGFS Net-Zero 2050 scenario that was explored in FY23).

We have developed a comprehensive set of mitigations that reflect this need to manage our own risks and take opportunities to support clients as they do the same. Our science-based Net-Zero targets, decarbonisation plan and go-to-market strategy will help us achieve our

goals. In all scenarios our mitigation measures enable us to significantly reduce the risk exposure, enhance business resilience and create the potential for long-term opportunity.

We believe that with our mitigation measures, we are likely to limit the potential financial impacts of climate risk to within manageable levels, maintain our resilience even in the higher risk scenarios, and secure the opportunities.

Because of the inherent uncertainties, we recognise that there is still the potential for significant financial impact, both more positive or negative, and that we need to continue to innovate and evolve our approach to climate action.

For further information

You can read more about the NGFS Scenarios Portal

Risk management

Climate risk is integrated throughout our wider risk management processes, rather than being addressed as a stand-alone risk. This is because climate presents a broad and diverse range of both risks and opportunities and needs to be managed across our firm, from our operational policies to our future business strategies. In this section we set out the key points at which climate is formally considered as part of our overall approach to risk management.

The Firm keeps a 'principal risk' register which currently includes 14 such risks. Climate risk is addressed primarily but not exclusively in our 'Environment and Sustainability' principal risk.

The Leadership Team reviews, at least annually, this set of top risks which it believes are essential for the Group to manage to achieve its strategic objectives and maintain the ongoing business operations. These risks are reviewed and set at Group-level and cover all subsidiaries of the LLP.

Each annual review of principal risks involving our Independent Non-Executives as members

of our Public Interest Committee, our annual review of climate risk and our ongoing monitoring of climate risk through our Enterprise Risk Management process are focal points where we review and update our overall approach to climate risk.



Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

What our Climate Scenario Analysis tells us about our exposure to climate risk (continued)

Risk management (continued)

There are formal processes for identifying and assessing climate-related risks which are integrated into the risk culture and activities across the Group. For climate-related risks and opportunities, these include:

Portfolio reviews	Our Leadership Team Portfolio Leaders each host regular deep dive sessions with the Leadership Team on their progress delivering our firm's strategic priorities, and the risks and challenges they face. Our People, Purpose & Culture lead presents ESG strategy, progress, and risks to this group
Public disclosures	Voluntary and regulatory disclosures provide guardrails for managing climate risks, and prompt management action. Our Double Materiality Assessment has provided insights into our climate risks from impact and financial perspectives
Programme management	Our management approach for priority programmes – of which decarbonisation is one – has risk identification and monitoring built into it, and processes for escalation to senior leadership when necessary
Quality & Risk reviews	Our Leadership Team receives updates on climate at least annually and it assesses the adequacy of our risk controls
Climate Risk Working Group	Supports the development of our annual climate scenario analysis and the identification of climate risks.
Enterprise level risk management	Our approach to ERM requires climate risks to be documented and assigned owners and managers. These roles are responsible for regularly setting and reviewing the risk controls around this topic

For further information

You can read more about our firm-level Principal Risks and how we manage them in our Transparency Report



Metrics and targets

We currently track and regularly report our GHG emission performance to management oversight groups. This includes the following:

- ▶ Utility usage and spend data tracked by kilowatt-hour ('kWh') and invoice data collected from UK and overseas properties.
- ▶ Emissions and engagement data tracked by tCO₂e GHG emissions and % emissions under SBTs.
- ▶ ESG as a core element in bids tracked by number of clients and £m revenue requesting ESG scores.
- ▶ Insurance costs tracked by annual property insurance premium.

We also have other sources of data readily available. In our next financial period we will monitor and report on the KPIs listed in table 1, on pages 49 to 51, to our Operations Executive and People Culture & Purpose Executive.

Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

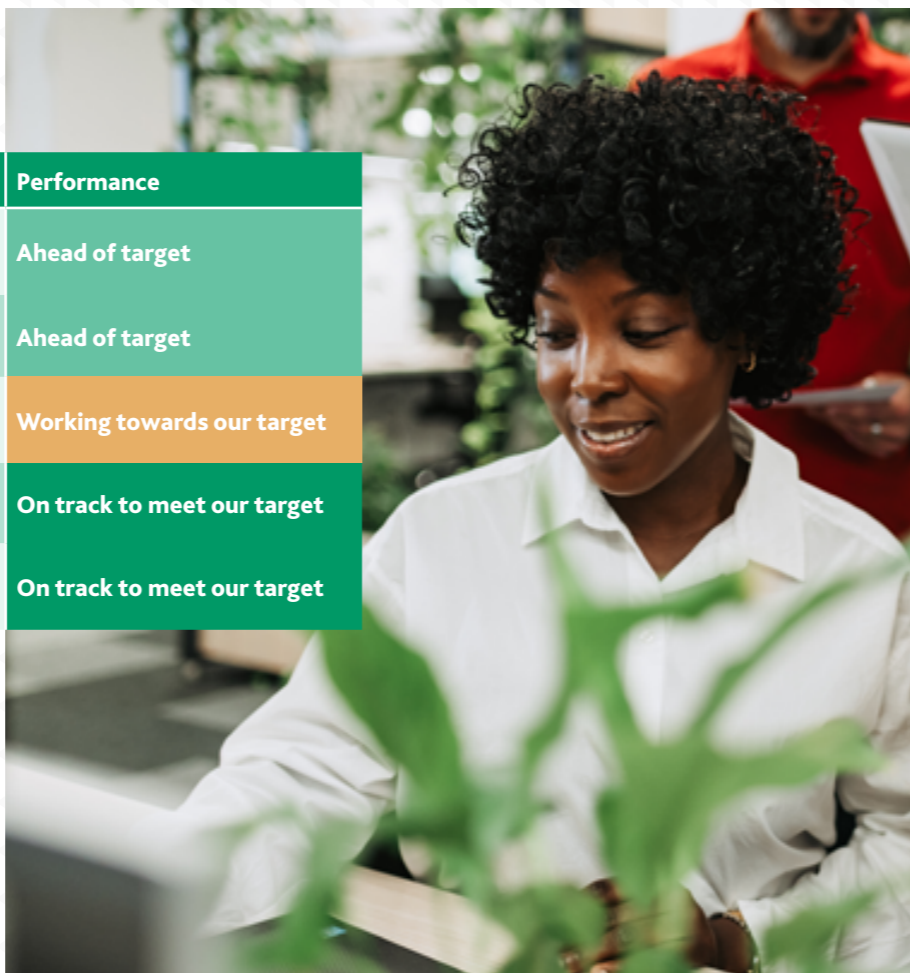
Metrics and targets (continued)

Scope 1 to 3 emissions targets and performance to date

Target	Performance
Scope 1 & Scope 2 emissions will reduce by 50% by 2030, from a 2020 baseline year	Ahead of target
Scope 1 & 2 emissions will reduce by 90% by 2050 from a 2020 baseline year	Ahead of target
80% of suppliers by emissions will be covered by SBTs by 2027	Working towards our target
Scope 3 emissions will reduce by 90% per FTE by 2050, from a 2020 baseline year	On track to meet our target
Business travel will reduce by 40% per FTE by 2030 from a 2020 baseline year	On track to meet our target

For further information

You can read more about our Energy and carbon targets in our Culture & Impact Report.



Our SECR compliant designated members' statement

We recognise that our global operations have an environmental impact and we are committed to monitoring and reducing our emissions year on year. This is our SECR compliant statement that summarises our impacts and our efforts to reduce our operational emissions. In the 'Planet' section of our Culture & Impact Report, we provide more detail on our wider environmental strategy and performance.

Performance for the period ended 4 July 2025

Our carbon footprint for the current and prior period has been calculated based on our environmental impact across scope 1, 2 and 3 (selected categories) emissions sources within our UK operational boundary.

We have experienced an overall increase in total emissions (location based) of 3%* for the current period reporting year relative to the prior period. This increase is specific to the categories that fall within SECR. This is primarily driven by an increase in emissions from the use of employee and hire cars in our business travel. The intensity of tCO₂e per employee (location-based) has increased year on year from 0.07* tCO₂e per employee in 2023/24 to 0.08 tCO₂e per employee in 2024/25.

* Restated – further details disclosed on page 57.

Scope specific insights on year-on-year changes to our emissions

- ▶ Scope 1 – increased 3% from 93* tCO₂e to 95 tCO₂e. This was driven by refrigerants.
- ▶ Scope 2 – decrease 12% from 860* tCO₂e to 759 tCO₂e on a location-based basis. This is because we have reduced our UK office electricity consumption by 9% due to energy efficiency measures and office moves. In addition, emissions factors used for location-based scope 2 emissions have reduced from the previous period due to the decarbonisation of the UK grid. Market-based emissions increased 10% from 91* tCO₂e in 2024 to 100 tCO₂e. This was driven by new offices in South Africa that are not on renewable energy tariffs.
- ▶ Scope 3 – increase by 36% from 404* tCO₂e to 549 tCO₂e. This was driven by an increase in use of employee and hire cars in our business travel.

* Restated – further details disclosed on page 57.

Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)



Our SECR compliant designated members' statement (continued)

Energy and carbon action

In the period covered by the report, we have undertaken the following energy saving initiatives, highlighted during the development of our Energy Savings Opportunity Scheme ('ESOS') report:

1. Passive Infrared sensors ('PIR') installed to control lights when not required
2. Upgrade of our building management system ('BMS') controls and schematics is in progress as we develop our property portfolio

We plan to achieve further reductions focusing on three areas:

Increasing office efficiency

Climate and ESG are core considerations driving our property strategy. We have a roadmap to upgrade all our office locations in the UK to remove gas, increase energy efficiency measures and reduce exposure to risk of physical disruption caused by extreme weather events.

Engaging our suppliers

The procurement of goods and services makes up much of our carbon footprint. Around 99% of our total emissions come from our value chain 'scope 3' which is typical for a professional services firm. Our approach to procurement has been reviewed in the last two years and now has climate and Net-Zero as a central pillar. Our target to engage our suppliers and move their emissions on to SBTs has the support of our Operations Board, has dedicated resource to deliver our strategy and encourages compliance with our policy and educates our internal buyers to influence our suppliers' progress on targets.

Reducing travel

Travel is a key source of emissions that are within the direct control of our partners and employees to manage. BDO's Carbon Smart Travel Policy is complemented by a carbon travel statement to allow partners to track and measure their own, their team's and their stream-level emissions generated

when we visit clients or travel for internal meetings, training, and conferences. Our internal carbon price on air travel offers a view at the point of booking of the carbon charge associated with a flight. This is aggregated and allocated against the profits of our business units.

How we calculate our emissions

The methodology used to calculate the GHG emissions is in accordance with the requirements of the following standards:

- ▶ World Resources Institute ('WRI') GHG Protocol (revised version)
- ▶ Defra's Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting requirements (March 2019)
- ▶ UK office emissions have been calculated using the Defra 2024 and 2025 issues of the conversion factor repository and the 2023 Association of Issuing Bodies European Residual Mixes

- ▶ International office emissions have been calculated using the Defra 2024 and 2025 issues of the conversion factor repository and the International Energy Agency Emissions Factors (2023 and 2024)

We follow an operational control approach to defining our organisational boundary. This includes our UK operations as well as overseas entities over which we have operational control.

Our GHG emissions from business activities fall within the reporting period of 6 July 2024 to 4 July 2025. We use the reporting period of 1 July 2023 to 5 July 2024 for comparison.

For further information

You can read more about our GHG emissions and our methodology to calculate them in the appendix of our Culture & Impact Report

Energy and carbon report

For the 52 weeks ended 4 July 2025 (continued)

Our SECR compliant designated members' statement (continued)

Emissions and energy usage

Table 3 – Energy and carbon disclosures for reporting periods. Energy usage comprises kWh consumption for natural gas, electricity, and diesel. All emissions are in tCO_{2e}.

	Emissions Source	52 weeks ended 4 July 2025		RESTATE ^d 53 weeks ended 5 July 2024		Variance		
		UK	Rest of world	UK	Rest of world	UK	Rest of world	Total
Scope 1	Natural gas	69	3	92	-	-25%	/	-21%
	Refrigerants	21	-	1	-	2684%	0%	2684%
	Diesel	-	2	-	-	0%	/	/
Total Scope 1		90	5	93	-	-3%	/	3%
Scope 2	Electricity (Market Based)	47	53	84	7	-44%	657%	10%
	Electricity (Location Based)	706	53	853	7	-17%	657%	-12%
Total Scope 2 (Market Based)		47	53	84	7	-44%	657%	10%
Total Scope 2 (Location Based)		706	53	853	7	-17%	657%	-12%
Scope 3	Employee cars and hire cars	549	-	404	-	36%	0%	36%
Total Scope 3		549	-	404	-	36%	0%	36%
Total (Market Based)		686	58	581	7	18%	728%	27%
Total (Location Based)		1,345	58	1,350	7	0%	728%	3%
Total Energy Usage (kWh)		4,069,457	81,296	4,623,049	16,299	-12%	399%	-11%
Normaliser	tCO _{2e} per FTE	0.08		0.07		27%		

In previous periods we have included 'Company and leased cars' in Scope 1 and 2. This has now been moved to Scope 3: Category 6 as these emissions are from employee-owned cars and are not part of our direct emissions. We have restated our prior period emissions to match the externally assured figures that we report in our October 2024 Environmental Report. This includes the removal of emissions source categories that are non-mandatory for SECR compliance purposes. The figures disclosed in table 3 do not impact the financial statements on pages 13 to 46.

FOR MORE INFORMATION:

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