

UK Transparency Report 2021
PricewaterhouseCoopers LLP
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Firmwide governance – Network and UK Firm Structure

This forms part of our FY21 Transparency Report

Firmwide governance

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www.pwc.co.uk/transparencyreport

Firmwide governance

Network and UK Firm Structure



PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms form the PwC network. 'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

In many parts of the world, accounting firms are required by law to be locally owned and independent. The PwC network is not a global partnership, a single firm, or a multinational corporation. The PwC network consists of firms which are separate legal entities.

PricewaterhouseCoopers International Limited

Firms in the PwC network are members in, or have other connections to PwCIL, an English private company limited by guarantee. PwCIL does not practise accountancy or provide services to clients. Rather its purpose is to act as a coordinating entity for member firms in the PwC network. Focusing on key areas such as strategy, brand, and risk and quality, PwCIL coordinates the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual member firms where appropriate. Member firms of PwCIL can use the PwC name and draw on the resources and methodologies of the PwC network. In addition, member firms may draw upon the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

The PwC network is not one international partnership. A member firm cannot act as agent of PwCIL or any other member firm, cannot obligate PwCIL or any other member firm, and is liable only for its own acts or omissions and not those of PwCIL or any other member firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions. PwCIL has no right or ability to control member firm's exercise of professional judgement.

The governance bodies of PwCIL are:

- **Global Board**, which is responsible for the governance of PwCIL, the oversight of the Network Leadership Team and the approval of network standards. The Board does not have an external role. Board members are elected by partners from all PwC firms around the world every four years
- **Network Leadership Team**, which is responsible for setting the overall strategy for the PwC network and the standards to which the PwC firms agree to adhere
- **Strategy Council**, which is made up of the leaders of the largest PwC firms and regions of the network, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy
- **Global Leadership Team** is appointed by and reports to the Network Leadership Team and the Chairman of the PwC network. Its members are responsible for leading teams drawn from member firms to coordinate activities across all areas of our business

The Chairman and Senior Partner of PwC UK is a member of the Strategy Council, and the Network Leadership Team.





Legal structure and Ownership

PricewaterhouseCoopers LLP (PwC UK) is a limited liability partnership incorporated in England and Wales.

a) Ownership of PwC UK

PwC UK is wholly owned by its members, who are commonly referred to as partners. During the year, the average monthly number of partners was:

	FY21	FY20
PwC UK Partners	900	910
Partners on Secondment Overseas	14	16
	914	926

b) UK office structure

PwC UK operates out of 20 (FY20:20) offices throughout the United Kingdom – a full list can be found at www.pwc.co.uk.

c) Related firms, entities and investments

Set out below are details of PwC UK’s related firms, interests and investments. Further details can be found in the PricewaterhouseCoopers LLP Members’ report and financial statements for the year ended 30 June 2021, within our Annual Report 2021, which will be available at www.pwcannualreport.co.uk in 2022.

(i) Subsidiary undertakings

PwC UK’s trading subsidiary undertakings located in the United Kingdom are shown in the table within this appendix. A full list of all subsidiary undertakings is being included in the PwC UK Financial Statements 2021. All entities listed in the table are 100% owned.

PwC UK has an equity holding in and a strategic alliance with the PwC Middle East and PwC Channel Islands firms. The non-controlling interest in profits and capital attributable to the members of PricewaterhouseCoopers CI LLP and to the Middle East partners of PricewaterhouseCoopers (Middle East Group) Limited are shown as non-controlling interests in the PricewaterhouseCoopers LLP Members’ report and financial statements for the year ended 30 June 2021, within our Annual Report 2021, which will be available at www.pwcannualreport.co.uk in 2022.

(ii) Jointly controlled entities and associates

The Group held interests in three significant jointly controlled entities and associates at 30 June 2021:

- PricewaterhouseCoopers Mobility Technology Services LLC, which offers international mobility services;
- PricewaterhouseCoopers Service Delivery Centre Holdings (Katowice) B.V., which provides shared services for PwC Network firms; and
- PwC Poland Services Limited, which offers specialised cloud-based solutions and transformational services.

(iii) Other investments

PwC UK also holds a number of investments, including repayable interest-bearing preference shares issued by PwC Poland Services Limited and repayable interest-bearing subordinated loan notes from, and minority equity holdings in entities in the PwC Network. Further details will be provided in the PwC UK Financial Statements 2021.

UK registered trading subsidiary undertakings	Country of incorporation
Companies	
Beyond Food Community Interest Company	England
Embankment Place Primary Healthcare Limited	England
PricewaterhouseCoopers Advisory Services Limited	England
PricewaterhouseCoopers (UK) Advisory Services (KU) Limited	England
PricewaterhouseCoopers Assurance UK Limited	Scotland
PricewaterhouseCoopers Business Services Limited	England
PricewaterhouseCoopers Consulting Services UK Limited	England
PricewaterhouseCoopers Overseas Limited	England
PricewaterhouseCoopers Services Limited	England
PwC Customs Intermediary Services Limited	England
PwC Change Management Limited	England
PwC Digital Services (UK) Limited	England
PwC Holdings (UK) Limited	England
PwC Strategy& (UK) Ltd	England
PwC Tax Information Reporting Limited	England
Limited Liability Partnerships	
PricewaterhouseCoopers CI LLP	England
Accounting Advisory (UK) LLP	England

d) Principal lines of business

Throughout the year, PwC UK operated through five principal Lines of Service (LoS), being Audit, Consulting, Deals, Risk and Tax. Support services were provided by Internal Firm Services. Programmes to develop expertise and to share knowledge in all key industries are also in place.

Audit

The Audit line of service is focused on delivering audit and audit related work. The services currently delivered from the audit practice are:

- Statutory and non-statutory audits of financial statements
- Interim reviews of financial information not required by law but performed in accordance with generally accepted auditing standards
- Other public interest assurance work (e.g. CASS audits, reporting accountant services performed in accordance with the SIRs, ISRE2410 reviews)
- Services which law or national regulations require the auditor to provide
- Services that are required by law or regulation, which do not have to be provided by the auditor, but which require the provider to be independent
- Assurance services that are not required by law but which relate to financial information or controls over financial reporting
- Assurance services related to information or matters included in the front half of the financial statements
- Assurance services over other operational matters where that work is able to be performed to a clearly defined, external standard and where the provider is required to be independent

Consulting

Consulting, including delivering deal value: Combines strategy, technology and management consulting expertise to help our clients address complex issues to transform their businesses and deliver sustained outcomes. From strategy through to execution to run, our specialists (including Strategy&, our global strategy house) combine industry and functional expertise to help organisations set goals and put the right business strategy in place to deliver them. Whether that's enterprise strategy and cloud transformation, customer-led transformation, operations transformation, finance transformation, risk and compliance transformation or execution managed services.



Delivering deal value: Dedicated specialists with backgrounds of working in and alongside the deals channel with specific insight and delivery capabilities in i) carve out/separation activities (pre deal including vendor assistance, sell-side vendor due diligence and buy-side diligence, and post deal including migration planning and implementation), ii) operational due diligence (buy-side and sell-side vendor due diligence), iii) M&A integration (pre deal synergy assessment and post deal integration execution), and iv) rapid value creation pre deal and associated implementation post deal.

Sustainability and climate change: Specialists in ESG issues including climate change and low carbon transition, sustainable value chains, responsible investment, sustainable finance, technology for good and smart cities and urbanisation.

Experience consulting: Dedicated insight specialists, experience strategists, designers and creative technologists working together to apply collaborative, design-led approaches, and human-centred methods and tools to customer and enterprise transformation. It includes PwC Research, a global centre of excellence in data and insight services.

Deals

Transaction services: Deal Strategy; Buy and sell-side financial due diligence, commercial and market due diligence, sale and purchase agreements, business modelling, Financial Decisions and Analysis, Valuations, bid support and defence.

Corporate finance: Mergers and acquisitions advisory, private equity, portfolio advisory, project finance and public private partnerships, infrastructure finance advisory, real estate advisory, public to private transactions, and public company advisory.

Forensic services: Capital projects advisory, Disputes including analysis and development of dispute resolution strategies, Digital and Forensic Investigations, creating response to issues that pose regulatory, financial or reputational risk, Financial Crime identifying potential vulnerabilities, strengthening monitoring systems and remediation.

Business Restructuring Services: Rapid Cost Reduction, Working Capital Improvement, Restructuring Leadership including day-to-day programme management, Debt and Capital Advisory services, Distressed Financial Restructuring, Corporate Insolvency services, Pension support to trustees and participating employers, Insurance liability restructuring and operational consulting services, and Corporate Simplification and Exit.

Risk

Technology, Data and Analytics: Working with other lines of service on transformation implementation, digital transformation risk, managing the risk of digital integration, emerging and disruptive technology risk, data governance, data migration, data visualisation, data strategy, data quality, data protection, data analytics and business insights.

Cyber Security: Cyber transformation, defence and detection, incident response and recovery, cyber risk advisory, and identifying and mitigating cyber risk across the deals lifecycle.

Business Risk and Controls: Internal Audit, governance, risk and compliance (GRC) including new UK SOx regulations and ESG, commercial assurance, performance assurance, IFRS 17, LIBOR, operational resilience.

Risk modelling services: Financial modelling, predictive modelling, insolvencies and run-off solutions, regulatory, risk and capital management, underwriting and catastrophe modelling, claims, reinsurance, insurance reserving and reporting, mergers and acquisitions, pensions and other benefit plans, performance benchmarking and insurance needs for the public sector.

Capital Markets, Accounting Advisory and Structuring Services: Assurance on capital market transactions and listings, raising debt or equity capital, accounting advisory, GAAP conversions, structuring services, equity advisory and navigating deals and mitigating risk, treasury advisory and commodity management.



Tax

Tax: Corporate tax advisory, tax on transactions, transfer pricing, corporate and international tax, finance and treasury, indirect taxes, property taxes, tax management and accounting services, dispute resolution, corporate tax compliance and outsourcing, private business tax advisory, personal tax advisory and compliance, tax valuations, sustainability and climate change taxes, tax risk and strategy, tax disclosures, tax transparency, value chain transformation, investment advisory, incentives, grants and reliefs, operational tax services (financial services).

People and Organisation: Providing solutions to workforce related challenges across workforce strategy, organisation design, culture and communications, inclusion and diversity, performance and reward, employment, Global Mobility Services, pensions and benefits, HR transaction/deals advice, people analytics and benchmarking, HR technology and HR function transformation.

Legal: Corporate law, international business reorganisations, M&A, banking and finance, employment and pensions law, real estate law, immigration law, sourcing, technology and intellectual property law, commercial law, tax, commercial and regulatory dispute resolution, financial services regulatory law, cyber security and data protection law, government and public sector law, managed legal services, legal function consulting and legal entity management and company secretarial and entity governance advice, sector law, managed legal services, legal function consulting and legal entity management and governance advice.

