

EM NORMANDIE UK LIMITED

**LETTER OF COMMENTS
YEAR ENDED 31 JULY 2025**

Our Ref: SC/4453

The Directors
EM Normandie UK Ltd
Jericho Building
Oxpens Road
Oxford
OX1 1SA

27 November 2025

Dear Sirs

EM NORMANDIE UK LIMITED – YEAR ENDED 31 JULY 2025

This letter of comments has been prepared in order to record the key matters arising from the audit of the financial statements for the year ended 31 July 2025. Our discussions with the board of directors at the closing meeting on 13 November 2025 formed the basis for this letter. Our audit work did not disclose any fundamental weaknesses in internal controls, however this letter contains recommendations for the improvement of your internal control system. The purpose of the document is further detailed in Section 1.

We would like to take this opportunity to thank Birgit Muller and other staff for the co-operation and assistance afforded to us during the course of our audit.

Yours faithfully



KLSA LLP

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The matters raised in this Letter of Comments are only those which have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising, and in particular we cannot be held responsible for reporting all risks in your business or all internal control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for and is not intended for any other purpose.

1 Introduction

1.1 Purpose of report

In order to carry out our duties and responsibilities as auditors, KLSA LLP is required by the International Standards on Auditing (UK) 260 “Communication of audit matters with those charged with governance” (“ISA 260”), to write to you setting out the following matters in respect of the audit of the above-named company.

1.2 Responsibilities of the directors and audit scope

The directors are responsible for the preparation of the financial statements and for making available to us all the information and explanations we consider necessary.

We would like to point out the matters dealt with in this report came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements of EM Normadie UK Limited for the year ended 31 July 2025.

In consequence, our work did not encompass a detailed review of all aspects of the system and controls and cannot be relied upon necessarily to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might develop.

We would be pleased to discuss any further work in this regard with the Directors.

1.3 Confidentiality

This report is strictly confidential and although it has been made available to management to facilitate discussions, it may not be taken as altering our responsibilities to the Company arising under our audit engagement letter.

The contents of this report should not be disclosed to third parties without our prior written consent.

1.4 Status of audit

Our audit is complete.

1.5 Audit opinion

We have issued an unqualified opinion.

2 Audit and financial reporting issues

The following key audit and financial reporting matters were discussed and agreed at our closing meeting.

2.1 Overview of audit issues

Balance sheet

Account	Risk of material misstatement?	Description of risk	Changes to Audit Plan?	Sufficiency of controls?	Significant audit findings?
Tangible fixed assets	Low	-	No	Yes	None
Trade and other debtors	Low	-	No	Yes	None
Cash and bank	Low	-	No	Yes	None
Trade creditors and accruals	Medium	Completeness of liabilities and accuracy of estimating accruals.	No	Yes	None
Corporation tax	Low	-	No	Yes	None
Deferred taxation	Low	-	No	Yes	None
Intercompany	Medium	Recoverability of intercompany balances.	No	Yes	None
Equity	Low	-	No	Yes	None
Reserves	Low	-	No	Yes	None

Income statement

Account	Risk of material misstatement?	Description of risk	Changes to Audit Plan?	Sufficiency of controls?	Significant audit findings?
Revenue	High	As per ISA 240, revenue is considered to be high risk due to possibility of incorrect recognition	No	Yes	None
Payroll	Low	-	No	Yes	None
Administration expenses	Low	-	No	Yes	None
Taxation	Low	-	No	Yes	None
Management override of controls	High	As per ISA 240, there is an assumption that risk of management override of controls is present in all entities	No	Yes	None

2.2 Significant risks

Risks identified at planning

Comments

Revenue is misstated due to fraudulent transactions

As per ISA 240, revenue is considered to be high risk due to possibility of incorrect recognition

Auditor response

- We reviewed the company's revenue recognition policies and compliance with the accounting standards
- We performed a proof in total test and compared to the figures projected by the client.
- We recomputed the revenue using a 5% mark up as per the agreements
- No issues were noted.

Management over-ride of controls

As per ISA 240, there is an assumption that risk of management override of controls is present in all entities

Auditor response

- We reviewed accounting estimates and judgements
- We performed testing of journal entries
- We reviewed unusual, significant and related party transactions
- No issues were noted

Overall Fraud Risk – Specific ISA 240 Requirement

Auditor response

- We performed a window dressing test to ensure there were no reversal of transactions before or after the year end.
- We performed a large and unusual testing for items above our performance materiality.
- We sent out a bank audit confirmation to the bankers to verify the year end balances.
- No issues were noted.

2.3 Post balance sheet events

You have confirmed that since the balance sheet date of 31 July 2025, there have been no post balance sheet events that require amendment to the financial statements or a disclosure to the financial statements.

2.4 Going Concern

We have discussed with you whether the going concern presumption is appropriate. This responsibility rests with Management. Our responsibility is to consider the appropriateness of management’s use of the going concern presumption in the preparation of the financial statements and the adequacy of any related disclosures when there may be doubts about the applicability of the going concern presumption

You have confirmed to us that the going concern presumption is appropriate and you have assessed going concern for a period of one year from the date of approval of the financial statements.

Other communication matters

Risks identified at planning	Comments
Matters in relation to fraud	<ul style="list-style-type: none"> We have not identified any issues during our audit procedures or been made aware of any incidents during the year.
Matters in related to related parties	<ul style="list-style-type: none"> We are not aware of any related parties or related party transactions which have not been disclosed.
Matters in related to laws and regulations	<ul style="list-style-type: none"> We are not aware of any significant incidences of non-compliance.
Written representations	<ul style="list-style-type: none"> We have obtained a signed letter of representation.
Confirmations from third parties	<ul style="list-style-type: none"> We have obtained bank confirmation and matched the balances as per the trial balance. No issues were noted.
Disclosures	<ul style="list-style-type: none"> We did not come across any material omission in the financial statements.

3 Internal controls and risk management systems

3.1 Roles and responsibilities

The Company's management is responsible for the identification, assessment, and management and monitoring of risk, for developing, operating and monitoring the system of internal control and for providing assurance to the Board that it has done so.

3.2 Accounting system and internal control

We have applied our risk methodology using our audit software. This approach allows us to document, evaluate and assess your internal controls over the financial reporting process.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to the Company.

In consequence, our work cannot be relied upon necessarily to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might develop.

We would be pleased to discuss any further work in this regard with the directors.

4 Audit effectiveness

4.1 Audit plan and performance

In the conduct of our audit, we have not had to alter or change our audit plan.

4.2 Independence and robustness

APB Ethical Standard 1 “Integrity, Objectivity and Independence” and ISA 260 requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our independence and objectivity. The aim of these communications is to ensure full and fair disclosure by us to those charged with governance on matters in which you have an interest.

We are not aware of any relationships between KLSA LLP and the Company that, in our professional judgment, may reasonably be thought to bear on our independence or the objectivity of the audit engagement team.

We confirm that in our professional judgment, the Firm is independent within the meaning of the regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised.

We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that you and your Board consider the facts that you are aware of and come to a view. Should you have any specific matters that you wish to discuss, please contact us.