



EY UK 2025 Audit Quality Report

28 October 2025



The better the question. The better the answer. The better the world works.



Shape the future
with confidence

Introduction and contents



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Foreword from Annie Graham

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At EY UK, we are committed and proud to deliver high-quality audits that serve the public interest. As business models, technology, and macroeconomic factors evolve, so must our audits. Our strategy focusses on three pillars: a curious mindset, connected teams, and continuous improvement. From FY26, we have evolved 'continuous improvement' to become 'courage in transformation', recognising the increasing role of technology and the pace of change.

Our progress is driven by our purpose-led culture, fostering behaviours needed for high audit quality. Through our multi-year, \$1 billion investment in technology and talent, we have made bold steps forward in developing our next-generation audit, centred around AI-enabled tools, and providing our people with opportunities to develop the skills they need now and for the future.

A further positive impact of our audit innovations is that they increase the vibrancy of a career in auditing – bringing hands-on experience in leading-edge technologies shaping tomorrow's world. Far from being an 'ordinary' career choice, a career in audit is actually – and increasingly – extraordinary: dynamic, forward-looking, rich in business acumen, and empowered by new technologies. From assessing risks to designing new audit procedures, technology is reinventing what auditors do and how they do it. The benefits flow not just to the companies we audit, but also to every audit team member.

At EY UK, our commitment to high audit quality is reflected in our audit quality scores as assessed by our regulator - with the scores announced in July 2025 being our best yet. We are not complacent and continue to invest in our people and audit quality.

On the rare occasions where our standards of audit quality fall short, we are open and frank, and take the time to understand so that we can learn and improve. This is demonstrated in the swift actions we have taken and continue to take to address the specific deficiencies as described in the System of Quality Management annual evaluation conclusion in our [EY UK 2025 Transparency Report](#). Whilst we are disappointed that these issues arose, we are confident that they have not impacted the quality of our audits which continues to be underpinned by our System of Quality Management.

The audit profession depends critically on attracting the best talent — and all parties with an interest in audit share a responsibility to foster the profession's attractiveness as a career. We recruit and develop capable candidates, providing high-quality training, widening their experience in areas like AI and sustainability, and offering them career mobility. In FY25, we were proud to welcome 764 audit graduates, school leavers and interns.

In closing, I would like to reiterate my gratitude to our audit professionals and teams. Thanks to them, FY25 has been a year of continued progress for the EY UK audit practice. We are confident in our purpose, and in our focus on the behaviours that foster high audit quality and fulfilling careers. The vital enabler in maintaining our progress is our talented people. In a world where the audit is constantly evolving, that remains constant.

Our purpose

Achieving our purpose

At EY UK, we are committed and proud to deliver high-quality audits that serve the public interest.

Executing a high-quality audit is complex. This starts with assessing risks, working with data and emerging technologies, exercising judgement and performing responsive audit procedures.

We are focussed on ensuring our audit teams are equipped with the skills, tools and technologies required, and on creating an environment in which they are supported to deliver consistent high audit quality and meaningful careers.

In the following pages, we detail our approach to achieving this purpose, the challenges we face, and our responses to those challenges.

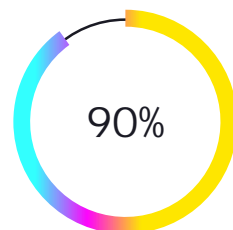


Our purpose: At EY UK, we are committed and proud to deliver high-quality audits that serve the public interest

Current year inspection results

FRC reviews

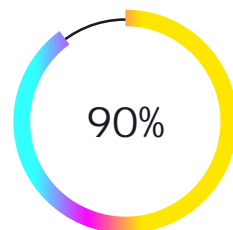
Percentage of all audits inspected graded 'good' or 'limited improvements'.



Deloitte 95%,
EY 90%,
KPMG 90%,
PwC 90%

QAD reviews

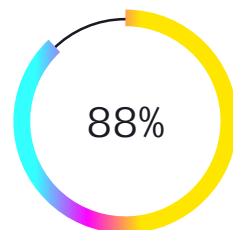
Percentage of all audits inspected graded 'satisfactory' or 'generally acceptable'.



KPMG 100%,
PwC 100%,
EY 90%,
Deloitte 90%

Internal reviews

Percentage of audits reviewed with no or only minor findings.

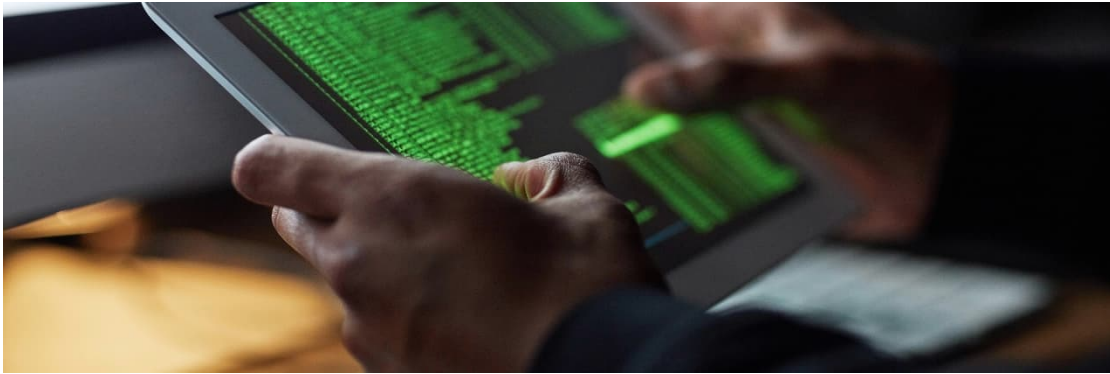


127 audits reviewed
in FY25 covering
42% of our UK
responsible
individuals

What we have achieved in FY25:

1. Launched new enablement to help teams apply a more curious mindset on their audits, to ask better questions and make appropriate challenges, as well as training to complement these positive behaviours.
2. Progressed our EY Canvas Guided Workflow to improve standardisation and documentation across our audit files.
3. Accelerated our work on standardisation through deployment of good practice examples, and standardised work programmes, including in areas such as impairment and materiality.
4. Further embedded AI and technology in our audits, including EYQ Assurance Knowledge, the release of our Financial Statements Tie Out tool, and use of M365 Copilot.
5. Deployed our PLOT (Purpose Led Outcome Thinking) playbook and training to continue to help teams to apply a PLOT mindset across key aspects of each audit to get it right first time.
6. Focussed on the wellbeing and capability of our teams by better understanding the neuroscience of work.
7. The continued the roll-out of our Culture of Audit Quality roadshows, with visits to a number of offices across the UK to consider and discuss the importance of our purpose-led culture, 'pride in what we do', and how we can make a positive impact on audit quality.
8. Development of our Culture of Audit Quality dashboard, which analyses various data points, including from surveys completed by employees, to inform the areas that we need to focus on further.

Our purpose: At EY UK, we are committed and proud to deliver high-quality audits that serve the public interest (continued)



How do we measure success?

- Our internal and external inspection results.
- By performing root cause analysis to understand what drives high-quality audits and to learn from instances where we did not achieve this.
- Our single quality plan measures the effectiveness of our actions.
- Through tracking the use of our enablement, as proper utilisation of the tools, work programmes and good practice examples that we have developed results in fewer inspection findings.
- Through our milestones-based compliance monitoring. Our Milestones programme is a project management tool, that when embedded properly, helps to deliver higher quality audits.
- By obtaining feedback from our people through internal processes including culture roadshows and surveys.

What does this mean? Thoughts from Mike Purrington

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We are pleased with the improvement in our inspections results again this year. We are also encouraged that the results show that we are focussing on the right things in our audit quality strategy. We continue to be proud of our people for their commitment to producing high-quality audits and embracing the changes we make to achieve this. We believe that through focussing on our key priority areas in our strategy and being at the forefront of the ever-changing technology landscape, we will have the right skills and resources to continue to consistently achieve the outcomes we strive for.



Our transformation journey

We are on a transformation journey to drive sustained high audit quality and enhance the experience of the companies we audit and our people. At the same time, we are reinforcing the cornerstones of our culture – being independent and objective, acting with integrity, exercising professional scepticism, and being accountable for the quality of our work.



Modern approach: Our teams now use intuitive guided workflows in EY Canvas to perform robust risk assessments in their data-driven audits. This enablement uses technology to walk our professionals through a comprehensive series of factors to consider and automates certain activities, promoting consistent audit execution and sustained high audit quality. It also results in a streamlined and simplified approach and will allow for a seamless flow of information throughout the audit. With the advancement of the technology and guided workflows, we are also driving better audit quality and adding value for the companies we audit.

AI-powered platform: We are making significant investments in developing AI-powered tools as we continue to shape the future of audit. Our people’s experience and professional judgment remain critical to planning and executing a high-quality, technology-enabled audit. That’s why we will continue to provide our teams with training and guidance on how to use our AI and other automation tools appropriately.



Streamlined process: With access to centralised and specialised teams, and through our audit technology, we are able to apply a consistent and standardised audit approach. Our tech-enabled project management tools assist teams in driving an efficient audit through features such as milestones management along with enhanced reporting functionalities for both our teams and the companies we audit.

Our strategy in action

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At EY we are committed and proud to deliver high-quality audits that serve the public interest



Our strategy vision for FY26, which focusses on the behaviours that drive high-quality audits

Curiosity behaviours

- Be inquisitive, ask questions
- Expand business acumen
- Develop yourself to thrive
- Always understand the purpose
- Stand back and reflect timely

Transformation behaviours

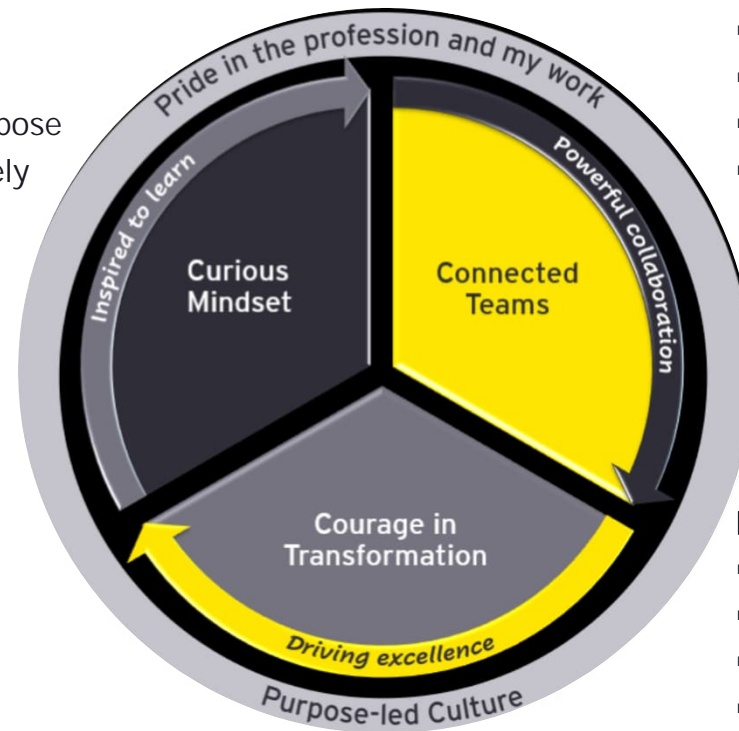
- Embrace and leverage AI and technology
- Fully adopt enablement
- Keep things simple
- Drive consistency
- Share insights and best practice

Teaming behaviours

- Cultivate a strong team culture
- Be present, lead by example
- Develop others to thrive
- Coach engagingly, use PLOT
- Have fun and celebrate success

Pride and culture behaviours

- Prioritise the public interest
- Foster a culture of compliance
- Have courage to do the right thing
- Give people confidence to speak up
- Proactively seek and give feedback



Our strategy in action (continued)

Actions for FY26:

- Drive a culture of curiosity through further enablement to help teams be more curious and ask better questions whilst also enhancing commercial acumen in the learning curriculum.
- Further focus on industry-specific standardised working papers.
- Continue to share best practice examples and celebrate those that do.
- Make continued enhancements to EY Canvas through embedding more guided workflows and improvements to the overall auditor experience.
- Further embed AI and technology in our audits to respond to the risks present in the companies that we audit, as well as innovating our audit approach.
- Roll out further ethics training sessions.

How will we know if it's working?

- By performing a more targeted review of risk assessment in audits, to be evidenced through feedback from our internal review and quality control processes.
- From findings and themes on good practice from inspections and root cause analysis, include those linked to positive coaching including executive involvement and the use of PLOT, early ongoing involvement of engagement quality reviewers and from our audit quality support team (AQST).
- We will continue to monitor progress through feedback from audit teams, internal quality reviews and external inspections, and the resulting root cause analysis on:
 - Reduced duplication of audit effort through simplified processes, documentation and enablers – tracked through feedback from teams;
 - Clear, concise and consistent documentation – tracked through feedback from our internal review and quality control processes and external inspection; and
 - Feedback from the Culture of Audit Quality roadshows and Audit Quality Culture survey that will inform us as to whether we have embedded the right cultural behaviours in our teams.

What will it mean? Thoughts from Mike Purrington

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Our teams will be confident that they have the skills and tools to help them have a better understanding of the risks present at the companies we audit, and develop an appropriate audit strategy that responds to the risks identified.

With the advancement of technology and AI and the transformative use of the tools on our audits, our teams will have the right resources to perform and

document high-quality audits whilst experiencing a more engaging and more efficient audit.

By embedding the right behaviours in respect of the culture of audit quality across EY UK, our people feel empowered to have the right conversations at the right time and to create an environment our teams feel proud to work in.

Our people

Over
700

Nominations for our **Audit Trust Awards** across 6 categories - our overall winner is an individual nominated in the innovation and adaptability category. This individual demonstrated their ability to think outside the box and create a new technology which has improved the quality of assurance whilst significantly increasing efficiency of testing.

Our other winners included

Fostering an environment where the team could speak freely

Exceptional coaching and leadership

Having the courage to do the right thing

Effective consultation

Demonstrating a sceptical mindset

Inspiring pride in the profession

716

EY Badges initiated in FY25 on a variety of topics including **Artificial Intelligence**, **Cybersecurity** and **Data strategy**

392

People completed their professional accountancy qualifications in FY25

Over
24,900

Applause awards given to **recognise colleagues** in relation to our EY UK values

Our people (continued)

What our people told us:

- 95%** Take pride in delivering quality audits
- 91%** Cultural health score – describing our culture in positive terms
- 98%** Understand their role in protecting the public interest
- 78%** Believe they have sufficient time and resources to deliver quality audits
- 90%** Feel encouraged and supported by audit engagement partners to deliver quality audits
- 84%** Believe they have sufficient training and development to deliver quality audits
- 94%** Believe audit quality is a clear priority communicated by leadership
- 77%** Believe EY recognises and values contributions to audit quality

What makes our people proud?



What does this mean? Thoughts from Mike Purrington

// We are proud of our cultural health score and the culture of audit quality that our teams thrive in. The results tell us our people are focussed on delivering high-quality audits. They take pride in the work they do and in the teams they are part of. Our people understand our culture of audit quality and have the confidence to challenge when they feel they should do so. We are honoured to work with colleagues who recognise each other for their hard work and commitment to doing the right thing.

Technology in the audit

The EY Digital Audit brings together advanced global technology, an end-to-end data-driven methodology, and expert digital auditors at every level, supported by central teams and specialists. Our purpose is to deliver leading audit quality and trust in reporting, accelerate work, provide confidence in deadlines, reduce the burden on teams, and generate data-led insights. This approach is anchored in our value pillars of Confidence, Efficiency, and Insight.

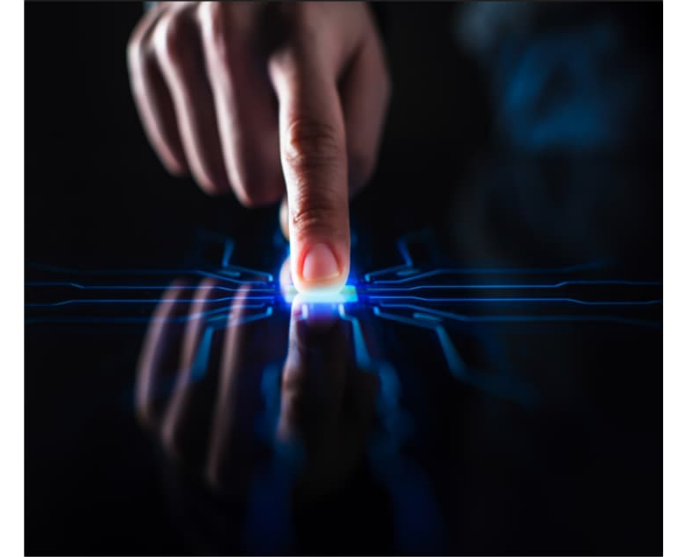


In 2025, EY has introduced more than 30 new and enhanced capabilities across the Assurance technology platform. These include the integration of artificial intelligence at scale, expanded guided workflows, and deeper data connectivity – ensuring that the right information and analytics are available to auditors at the right time. A key innovation is EYQ Assurance Knowledge, which uses generative AI to search and summarise accounting and auditing content with citations, delivered directly within the workflow and tailored to the context of each engagement.

EY Canvas remains at the centre of the audit experience, supporting effective coordination, consistent documentation, and seamless collaboration between EY teams and companies worldwide. By integrating guided workflow, data, and knowledge under a single platform, EY Canvas enables highly integrated and consistently executed audits, whilst also giving company users clearer visibility of audit status through the EY Canvas Client Portal. EY Canvas is used for managing and delivering 100% of EY audits.

As business models become more AI-enabled, cloud-based, and data-intensive, the audit must respond to new risks and opportunities. Our AI-powered platform, combined with our modern audit approach and our increasingly streamlined processes, are designed to address these changes head-on.

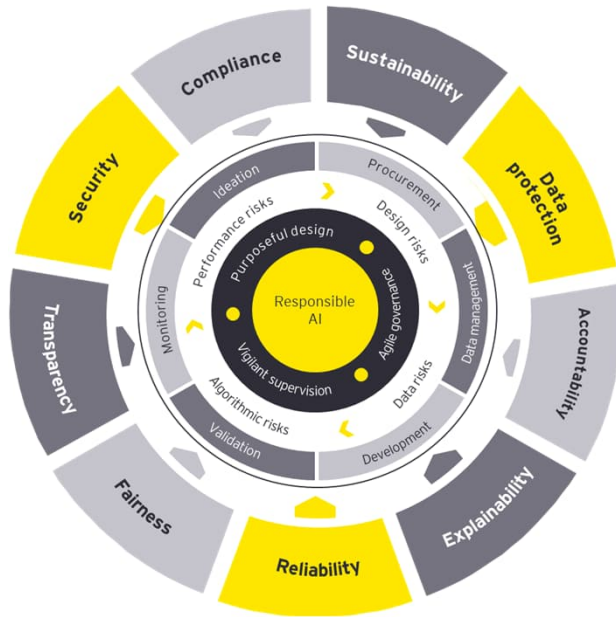
Guided workflows prompt structured consideration of cybersecurity, AI use, and the reliability of information produced by the entity, with documentation approaches tailored to the complexity of each engagement. Analytics and AI features such as EY Helix General Ledger Analyzer, Intelligent Checklists, and Financial Statement Tie-Out reduce manual effort, improve quality and coverage, and surface patterns, outliers and insights earlier in the audit cycle.



Please click on the link below to learn how EY is integrating and transforming technology to unlock value:

[Audit Technology Video](#)

Technology in the audit (continued)



EY Responsible AI Framework

The EY Responsible AI framework is a pragmatic, principles-based approach to governing AI that promotes safe innovation at pace and is aligned with leading ethical frameworks and standards, including those outlined by NIST, the ISO, the OECD, and the EU AI Act.

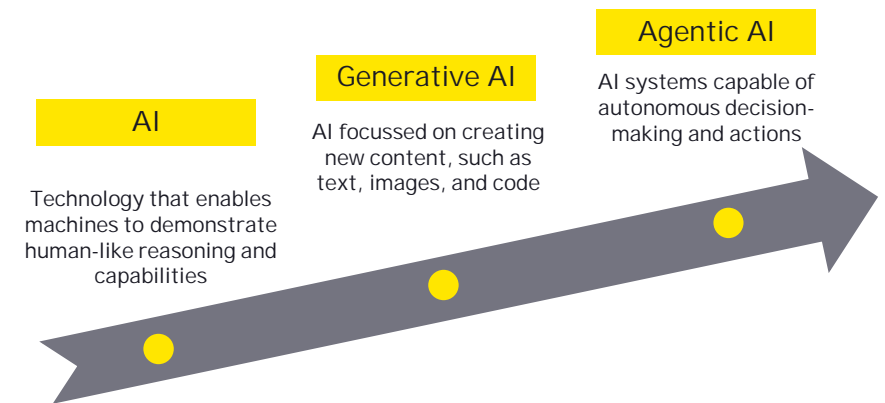
A core principle of the EY Digital Audit is that the provenance and quality of underlying data are non-negotiable. Our investments in data quality controls, robust data lineage, and full-population analytics ensure that evidence is reliable and audit trails are clear.

The availability and adoption of AI is accelerating – in our EY Canvas technology and across the systems, processes and controls at the companies we audit. To ensure AI is used safely, ethically and in line with leading global standards and regulations, we have developed the EY Responsible AI framework. Our AI capabilities are risk-managed, tested and approved against principles in this framework, then released with clear guidance and auditor-in-control checkpoints. This approach ensures innovation is conducted with the discipline and traceability expected by stakeholders.

EY recognises that the pace and extent of technology and AI-driven change is accelerating, and a vital consideration for audit is how this is changing the role, skills and career pathways of our people. Our investment in technology solutions sits alongside our significant investment in the skills and capabilities of our professionals. EY is deploying tailored learning programmes and responsible use of AI training, as well as strengthening our culture to encourage greater curiosity, courage and continuous improvement. Our approach to technology adoption is inclusive, hands-on and pragmatic, ensuring that teams are supported through change, with emerging technologies embedded in a way that enhances, rather than disrupts, audit quality and value.

Looking ahead, the next evolution is agentic AI – capabilities that can orchestrate multi-step activities across platforms, connect knowledge and analytics, and propose next actions, always with human oversight and approval. Existing and new AI ‘agents’ will become orchestrated in hybrid digital and human teams – capabilities that will further increase our speed, consistency, and focus on higher-risk, judgement-heavy areas, whilst maintaining the highest standards of quality, transparency, and accountability.

Through these investments in modern methodology, technology, people, and culture, we will continue to shape the future of audit, delivering greater confidence, efficiency, and insight for companies, stakeholders, and society.



High-quality audit and what it means for stakeholders

How we maintain a high standard of audit quality

We have a number of well-established quality assurance and compliance policies and practices in place that provide confidence in reporting, including the six below:



All partners and professional staff undergo regular mandatory training on our independence and ethics policies and processes, and must maintain the level of their technical skills through structured training every year.

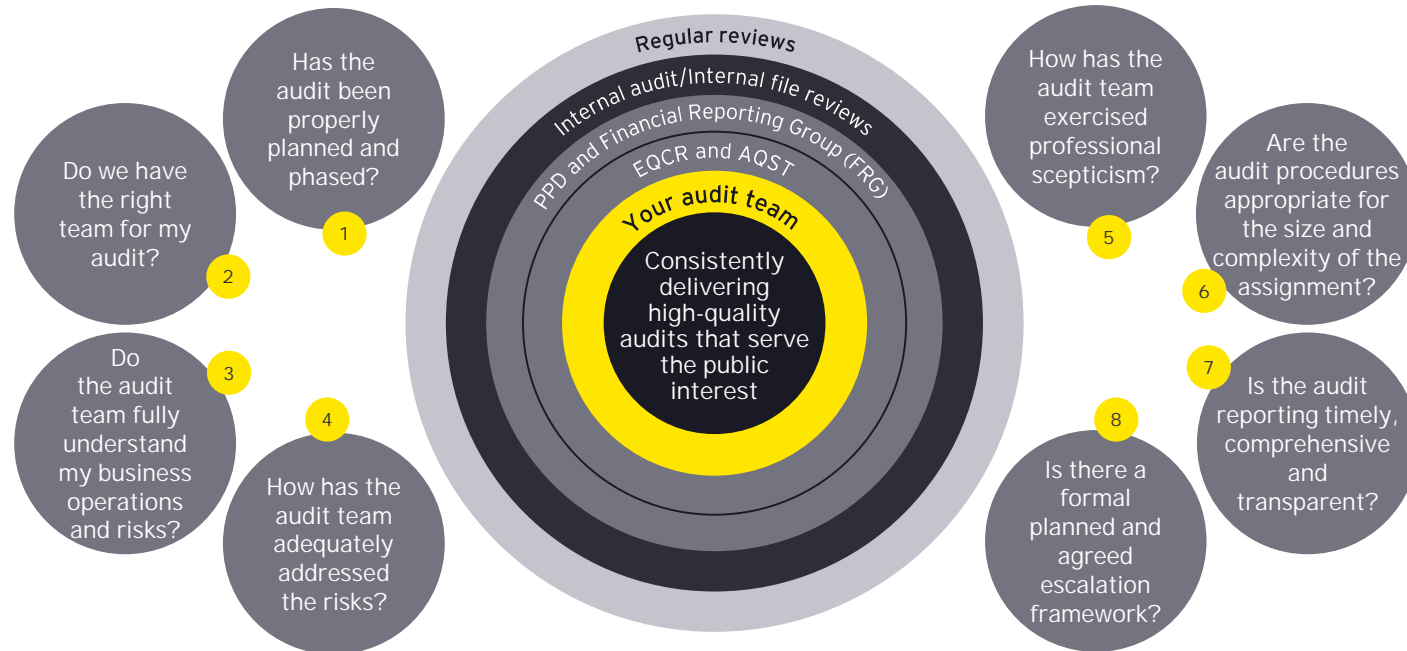
1. Audit Quality Reviews – an independent internal assessment of the quality of individual audits. Carried out at least once every three years for every audit partner.
2. Audit Quality Support Team – a key part of our Audit Quality programme. A group of experienced reviewers who perform in-depth, independent reviews of selected engagements.
3. Financial Reporting Group – our experienced group of IFRS, UK and US technical experts, whose broad knowledge, expertise and experience is available to audit teams when considering complex accounting or reporting matters.
4. Dealing with emerging and reporting matters – when appropriate we will consult with our specialists, seeking to conclude early on matters.
5. Engagement Quality Control Review Partner – engages with the audit team at key stages in the audit process to provide objective evaluation on higher risk and judgemental areas of the audit.
6. Assessment of Service Quality – we implement a regular process of independent assessment of service quality, the results and action plan from which will be shared with management and the Audit Committee.

The above are governed and supported by our leadership and executive committees as well as our body of ISQM 1 controls.

We take into consideration all of the above along with interaction with our regulators in order to coach and develop our people.

High-quality audit and what it means for stakeholders (continued)

How does this translate to your audit?



Questions 1 to 8 are all addressed by our audit quality strategy, specifically:

- Resourcing interventions, implemented under the FY24 rebalancing work intensity workstream and now business as usual, including:
 - Appropriate intervals of intensity built into portfolios, allowing our people to be focussed and able to think clearly and effectively whilst working on engagements. [Questions: 1, 2, 4, and 5]
 - Ensuring that we have the right teams with the relevant experience for each audit. [Questions: 1 and 2]
 - Interventions to support are then made when appropriate.
- The Curious Mindset bespoke skills development programme helps our people to further develop business acumen skills, gaining a deeper understanding of the environment and businesses that we audit and promote professional scepticism. [Questions: 3, 4, 5, and 6]
- Continued additional support in the form of our AQST, Global coaching and engagement quality control review results in proactive coaching of teams. [Questions: 2, 4, 6, and 7]
- Re-energising our Purpose-Led Outcome Thinking (PLOT) initiative results in early executive involvement ensuring upfront planning, considerations of risks and the determination of the need for any specialists in the audit. [Questions: 2, 3, 4, 5, 6, 7 and 8]
- Providing teams with the tools to clearly and concisely document the work done and challenges made through training and the release of standardised working papers and good practice examples [Questions: 3, 4, 5, 6, and 7]
- Through our Culture of Audit Quality roadshows and ethics training, we are promoting the importance of the right behaviours and having the confidence to challenge, both internally and externally, and remaining professionally sceptical. [Questions: 1, 2, 4, 5, 6, and 8]

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