



Directors' Duties:

Changing Obligations and Increased Risks around Financial Statement Approval

14 July 2020



WILLKIE FARR & GALLAGHER_{(UK) LLP}

SPEAKERS



Toby Duthie
Founding Partner
FRA,
London



Carol Der Garry
Partner
FRA
Washington DC



Simon Osborn-King
Partner
Willkie Farr & Gallagher LLP
London



Peter Burrell
Partner
Willkie Farr & Gallagher LLP
London



Matthew Rees
Director
FRA
London



WILLKIE FARR & GALLAGHER (UK) LLP

AGENDA

1

Considerations
for audit
committee
members

2

Legal risks faced
by audit
committees

3

Audit quality

4

Auditing in a
pandemic

Q&A

AUDIT COMMITTEE ROLES AND RESPONSIBILITIES

UK

Provision 25 of the UK Corporate Governance Code (2018), issued by the FRC

- Monitoring integrity of financial statements, and reviewing 'significant financial reporting judgements contained in them'
- Providing advice to the board on whether the annual report and accounts are fair, balanced and understandable
- Reviewing the effectiveness of external audit process
- Developing and implementing policy on engaging external auditors to provide non-audit services and how to ensure their independence
- Conducting the tendering process and recommending to the board the appointment, re-appointment or removal of external auditors and approving remuneration
- Reviewing company internal financial controls and risk management systems
- Monitoring and reviewing company internal audit function
- Reporting to the board on discharging its responsibilities

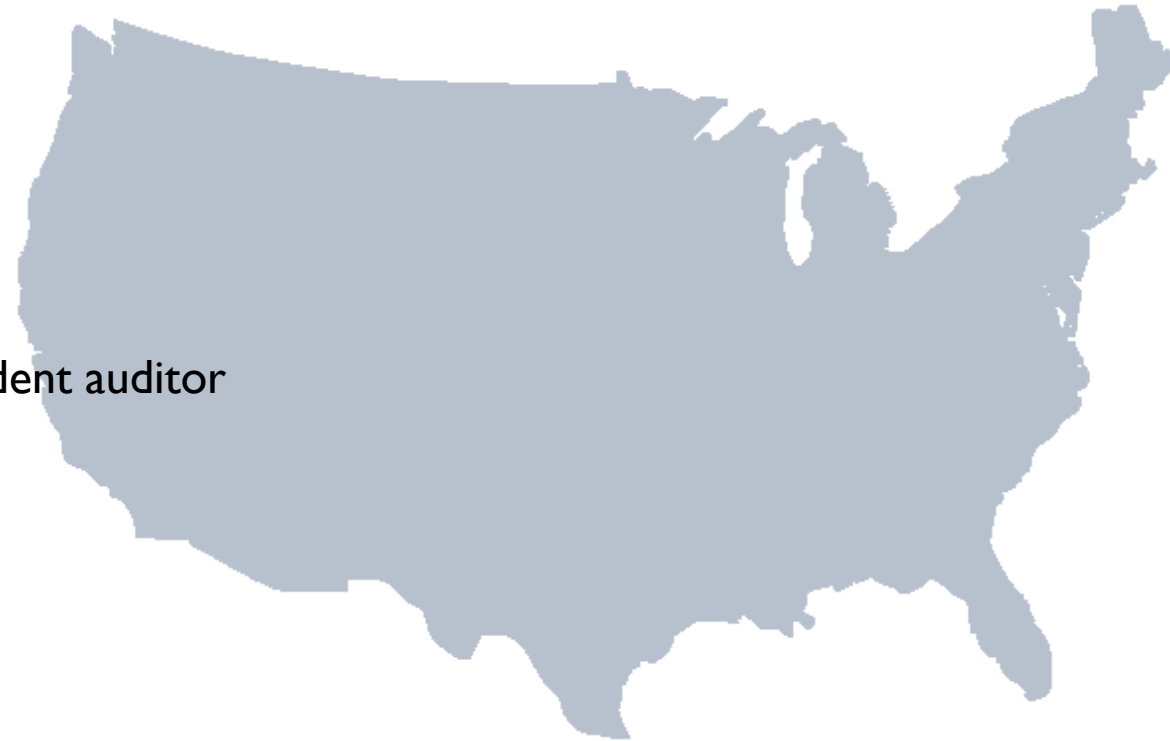


AUDIT COMMITTEE ROLES AND RESPONSIBILITIES

US

Securities and Exchange Commission (“SEC”) statement, December 2019

- Tone at the top
- Auditor independence
- General Accepted Accounting Principles (GAAP)
- Internal Control over Financial Reporting (ICFR)
- Communications to the audit committee from the independent auditor
- Non-GAAP measures
- Reference rate reform (LIBOR)
- Critical audit matters



CONCERNS BUILDING UP OVER AUDIT QUALITY

Deloitte faces record £15m fine for 'serious' failures in Autonomy audits

EY failed to check Wirecard bank statements for 3 years

BHS auditor Steve Denison 'did two hours work on file'

Celadon Agrees to Pay \$42.2 Million to Settle Accounting Fraud Claims

U.S. Angered as Freddie Mac Auditor Settles Investor Suit

SEC Charges PPG Industries with Fraudulent Financial Reporting

US charges Chinese telecom giant Huawei with fraud, stealing trade secrets

PwC investigation finds \$7.4 billion accounting fraud at Steinhoff

SEC Charges Truckload Freight Company With Accounting Fraud

'Decline in quality': auditors face scrutiny over string of scandals

Automaker to Pay \$40 Million for Misleading Investors

Toshiba - a case of internal audit failure

Watchdog finds work of Patisserie Valerie auditor unacceptable

Auditors 'in the dock' over Carillion as report calls for Big Four break-up

KPMG, PwC's Eddie Stobart audits under FRC investigation

FCA to investigate M&C Saatchi accounting errors

KPMG reprimanded and fined £5m over Co-op Bank audit

Steinhoff shareholders sue Deloitte for damages

PwC and EY accused of complicity in Thomas Cook collapse

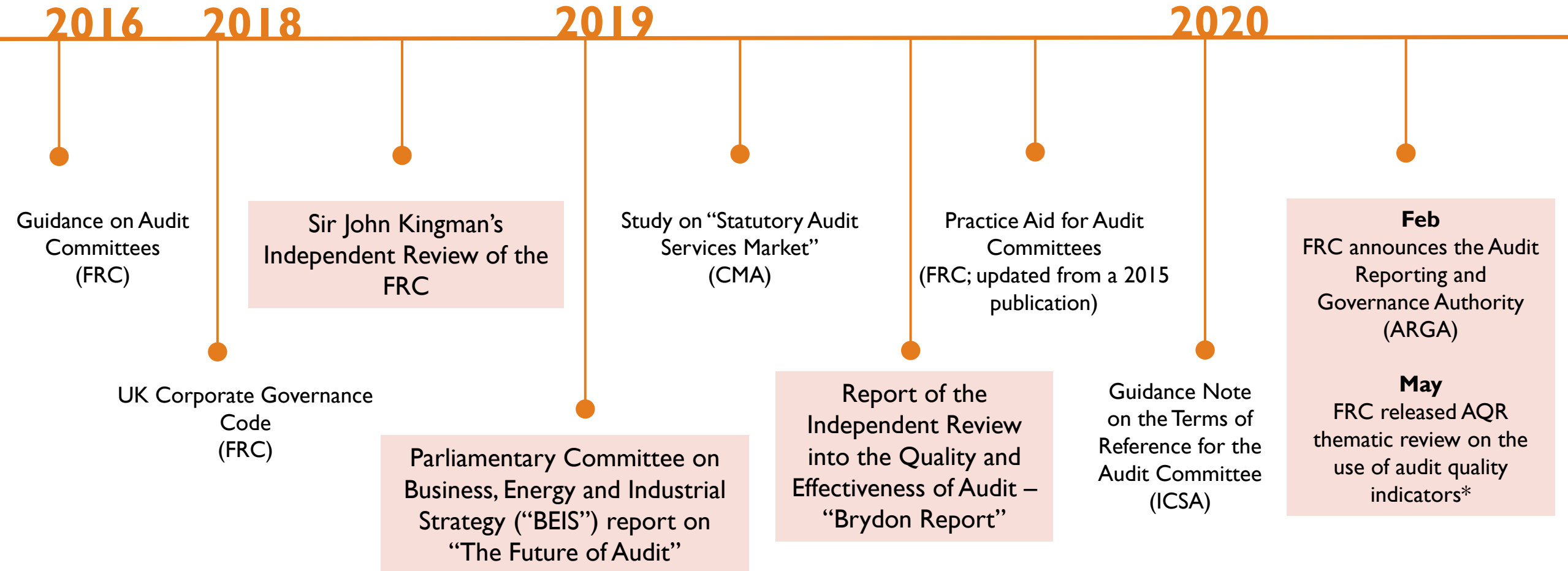
PwC fined £4.5m for 'serious lack of competence' in botched audit of IT firm

KPMG fined and reprimanded over Ted Baker audits

The offenders admitted breaching ethical standards and losing independence in the audits

Comscore Fined \$5M Over Accounting Fraud

RECENT STUDIES, GUIDELINES, BEST PRACTICES (UK)



*FRC also issued other thematic inspection reports relating to audit quality between 2017-2019

1

Considerations
for audit
committee
members

2

**Legal risks
faced by audit
committees**

3

Audit Quality

4

Auditing in a
pandemic

Q&A

KEY DIRECTORS' DUTIES FOR AUDIT COMMITTEE MEMBERS: COMPANIES ACT 2006

Duty to exercise reasonable care, skill and diligence (s. 174 CA 2006)

The care, skill and diligence that would be exercised by a reasonably diligent person with:

- ✓ The **general knowledge, skill and experience** that may reasonably be expected of a person carrying out the functions carried out by the **director** (objective); AND
- ✓ The **general knowledge, skills and experience** that the director has (subjective).

“...the duty of the Directors to acquire and maintain sufficient knowledge and understanding of the Company's business to enable them to discharge their duties as director, is inescapable...The standards required of a director to discharge the duties are higher perhaps than at any time in the past. It is not sufficient to simply delegate tasks in a small/medium sized enterprise. Neither is it sufficient to claim inexperience or lack of knowledge...The Directors were not required to obtain the specialist knowledge of an accountant but needed, in my judgment to ask if the Company had an exemption for VAT rather than assume the situation. Reliance on the accountant's silence demonstrates, objectively, a lack of care, skill and diligence.”

(Raithatha v Baig [2017] EWHC 2059).

KEY DIRECTORS' DUTIES FOR AUDIT COMMITTEE MEMBERS: COMPANIES ACT 2006

Duty to exercise independent judgment (s. 173 CA 2006)

"It is legitimate, and often necessary, for there to be division and delegation of responsibility for particular aspects of the management of a company. Nevertheless each individual director owes inescapable personal responsibilities. He owes duties to the company to inform himself of the company's affairs and join with his fellow directors in supervising them. It is therefore a breach of duty for a director to allow himself to be dominated, bamboozled or manipulated by a dominant fellow director where such involves a total abrogation of this responsibility"

(Madoff Securities v Raven [2013] EWHC 3147 (Comm)).

- Reliance on advice will be an important factor in determining potential breach:

The fact that a director has sought advice from competent professionals and has acted on that advice will, of course, be a significant factor in many cases. It will tend to demonstrate fitness rather than unfitness) to be concerned in the management of the company. But it all depends on what the professional is instructed to do and upon the extent of his instructions (so far as concerns the provision of material on which his judgment is to be exercised and advice given).

(SoS for Business Enterprise and Regulatory Reform v Sullman & another [2008] EWHC 3179 (Ch))

- Reliance on advice may also support a granting of relief from liability on the basis that the director acted honestly and reasonably in the circumstances. (Pro4Sport Ltd [2015] EWHC 2540 (Ch)).

KEY DIRECTORS' DUTIES FOR AUDIT COMMITTEE MEMBERS: COMPANIES ACT 2006

Potential consequences of breach of directors' duties include:

- ! Company, or more likely, derivative actions (injunctions, damages, rescission etc).
- ! Court order under Insolvency Act 1986 (on the application of a liquidator or receiver) following winding up, for a Director who breached directors' duties to e.g. contribute to the company's assets by way of compensation in respect of the breach of duty.
- ! Potential regulatory sanction in respect of regulated firms.
- ! Disqualification under the Company Directors Disqualification Act 1986.

CRIMINAL OFFENCES RELEVANT TO AUDIT COMMITTEES: COMPANIES ACT 2006

Approval of accounts (s. 414 CA 2006)

- It is an offence for a director to:



Approve accounts which they knew did not meet statutory requirements (true and fair view etc...) or were reckless as to whether they complied; AND



Fail to take reasonable steps to secure compliance or prevent approval.

Provision of required information to auditors (s. 501 CA 2006)

- It is an offence to knowingly, or recklessly, make a statement (written or oral) to an auditor of a company, which is “*misleading, false or deceptive in a material particular*,” where that statement purports to convey any information or explanation which the auditor requires (or is entitled to require) under Section 499.
 - This includes the requirement for officers, employees and certain others to provide to the auditor “*such information or explanations as he thinks necessary for the performance of his duties as auditor*.”
- It is also an offence to fail to comply with the requirement to provide information or explanations under Section 499 of the Companies Act “*without delay*”, unless it was not “*reasonably practicable*” to provide it.

CRIMINAL OFFENCES RELEVANT TO AUDIT COMMITTEES: FINANCIAL SERVICES ACT 2012

Misleading statements (s. 89 FSA 2012)

- If a person: makes a statement which they know to be false or misleading in a material respect; or makes a statement which is false or misleading and the person is reckless as to whether it is; or dishonestly conceals any material facts; then
- a criminal offence will be committed if the statement is made (or concealment carried out) with the intention of inducing (or being reckless as to whether it will induce) another person to enter into or refrain from entering into, a relevant agreement (or exercising any rights in relation to a relevant investment).

Misleading impressions (s. 90 FSA 2012)

- If a person does any act or engages in any course of conduct which creates a false or misleading impression as to the market in (or price of) any relevant investment, then a criminal offence will be committed if the person intends to create the impression, and the person either:
 - intends, by creating the impression, to induce another person to acquire or dispose of investments (or refrain from doing so); or
 - knows that the impression is false or misleading (or is reckless as to whether it is), and is aware that creating the impression is likely to make a gain for himself or expose another to the risk of loss (or intends to bring about those consequences).

LIABILITY FOR MISLEADING STATEMENTS IN PUBLISHED MATERIAL: FSMA 2000

Liability for untrue or misleading statements in listings particulars or prospectuses (s. 90 FSMA)

- Any person responsible for listing particulars is liable to pay compensation to a person who has acquired the relevant securities, and suffered loss as a result of any untrue or misleading statement in the particulars (or the omission from the particulars of any matter required to be included).
- Schedule 10 provides a defence where, in summary, the person can show reasonable belief that the statement was true or not misleading, or that the omission was properly omitted.
- E.g. RBS Rights Issue Litigation – alleged that the £12bn rights issue prospectus contained misstatements of the bank's financial position, causing losses to shareholders.

Issuer liability for untrue or misleading statements in published material (s. 90A and Schedule 10A FSMA)

- Issuer of relevant securities is liable to pay compensation to a person who acquires, continues to hold or disposes of the securities in reliance on certain published information, and who suffers loss as a result of any untrue or misleading statement in that published information (or the omission from the published information of any matter required to be published in it).
- In order for liability to arise, a person discharging managerial responsibilities within the issuer must have known the statement to be untrue or misleading, or was reckless as to whether it was untrue or misleading (if an omission, a person discharging managerial responsibilities has to be aware the omission was a dishonest concealment of a material fact).
- E.g. \$5bn Autonomy litigation – alleged that former directors made untrue or misleading statements to overvalue Autonomy at \$11bn. Autonomy is a joint claimant seeking indemnity from those former directors.
- E.g. Tesco shareholder litigation – in 2014 Tesco management announced it had identified an overstatement of anticipated profits by £250m, and claimants allege losses of £450m after relying on that published information.

WHAT SHOULD A BOARD OR AUDIT COMMITTEE BE CONSIDERING? (1)

- 1 Has the board assessed whether the audit committee has the balance of skills and experience necessary to fulfil its remit? Are there clear written terms of reference setting out the precise expectations of the committee?
- 2 Do meeting agendas allow sufficient time for full discussion of the committee's work? Are meeting agendas adequately detailed, so that in the event of a future investigation, committee members can point to what was discussed?
- 3 Are documents for the committee circulated sufficiently in advance to enable them to be properly considered? Does the committee have adequate time to review all relevant paperwork before reporting to the board?
- 4 Are all committee concerns and conclusions properly recorded and minuted where appropriate?
- 5 Are you satisfied that the company has adequate internal controls over risk and an adequate internal audit function?
- 6 Are clear procedures and triggers in place to elevate risks or concerns to the board quickly?

WHAT SHOULD A BOARD OR AUDIT COMMITTEE BE CONSIDERING? (2)

- 7 Are the committee's own processes for considering financial statements and any other relevant documents adequate? Is sufficient attention paid to them and concerns fully expressed to the board so you have a better chance of avoiding future liabilities?
- 8 What is the procedure where members of the audit committee are not in consensus? Is there a system for recording this in case the majority opinion later turns out to be incorrect?
- 9 Are you aware that in difficult economic times there may be increased pressure on the board to present a better picture of the business than in reality? Consequently audit committees may face board pressure to acquiesce when confronted with issues within financial statements or associated financial documents. Are you aware of the greater need to resist such pressure and to ensure there is written evidence of any resistance or concerns?
- 10 Is the committee and the board aware that increased commercial stresses will increase the risks of breach of directors' duties or criminal liability, even if that breach was not deliberate?
- 11 Is there a procedure whereby the committee and board can take advice if there is uncertainty as to the course of action to be taken with regard to financial statements, annual reports or potential insolvency?

1

Considerations
for audit
committee
members

2

Legal risks faced
by audit
committees

3

**Audit
Quality**

4

Auditing in a
pandemic

Q&A

KEY QUESTIONS FOR IMPROVING AUDIT QUALITY



What should directors and audit committees ask their auditors in order to ensure that the quality of the audits performed on financial statements is of a high standard?

Challenge auditor and ask probing questions

Auditor's internal quality control procedures

Auditor independence

Audit quality indicators

Inspection reports

Documentation and evidence



1

Considerations
for audit
committee
members

2

Legal risks faced
by audit
committees

3

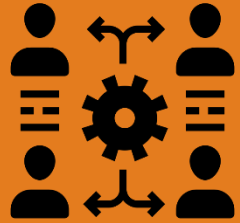
Audit quality

4

**Auditing in a
pandemic**

Q&A

WHAT SHOULD DIRECTORS ASK THE AUDITORS?



Remote Auditing

- How will the audit team change their approach?
- What is the impact on timescales and costs?



Control Environment

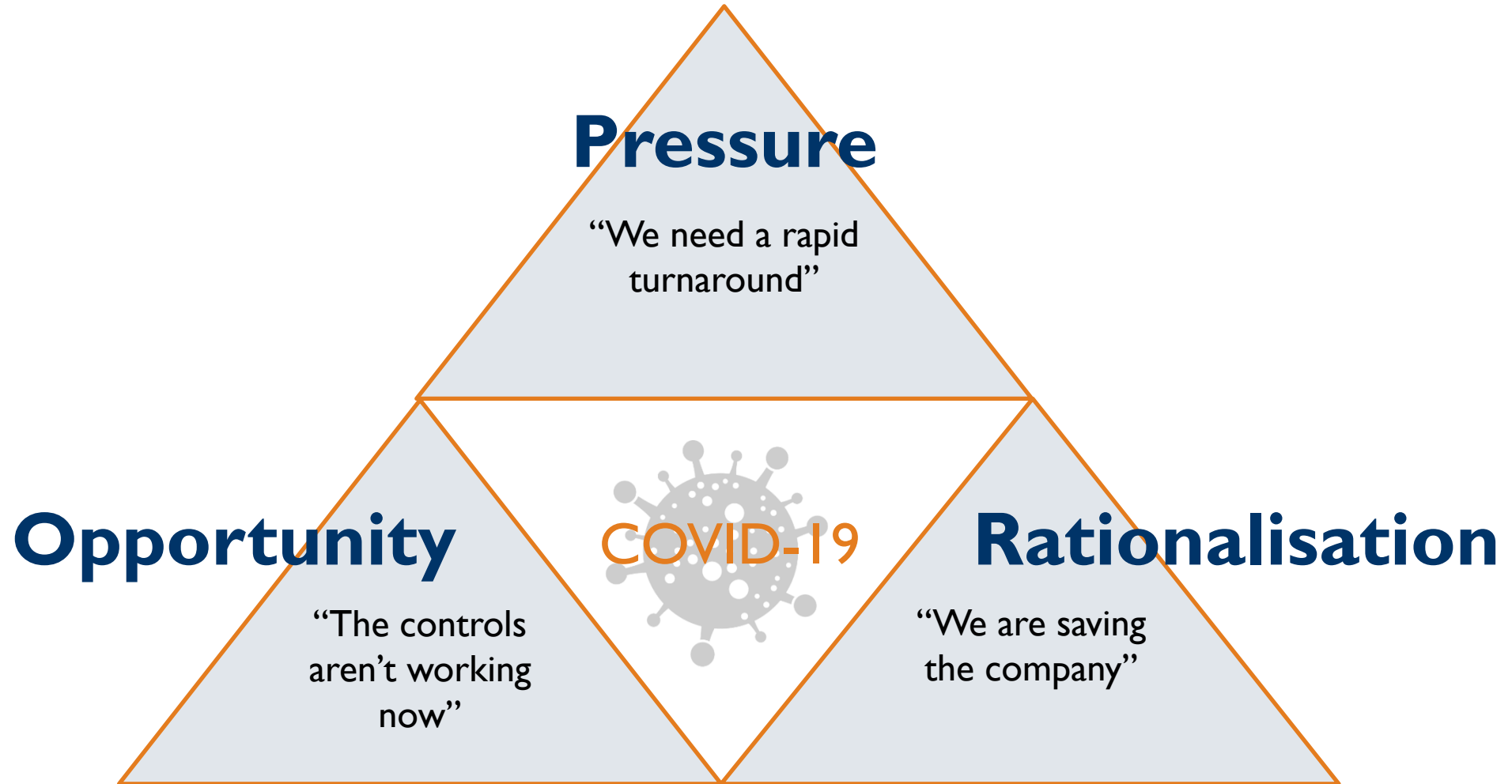
- How will the audit team assess the changing processes and controls?
- How will the audit approach be changed to deal with this?



Risk Landscape

- What are the key risks to financial statement integrity?
- How will the audit procedures address these risks?

THE PANDEMIC FRAUD TRIANGLE



FRAUD – WHAT SHOULD THE AUDIT COMMITTEE DO?



Discuss fraud risk factors with their auditors.



Review key controls to mitigate risk of material misstatement and discuss with their auditors.



Understand how auditors have concluded:

- Auditor discussions on fraud risk with management and internal audit
- Auditors' assessment of risk of management override
- Audit procedures in response to risk of management override
- Audit testing of manual journal entries



When tendering their audit, consider nature and frequency of auditor's fraud training

KEY JUDGMENTAL CALLS AND BEST PRACTICES FOR DIRECTORS APPROVING FINANCIAL STATEMENTS



Going Concern

What does the new normal mean for the company?



Loan Covenants

What are the effects of uncertain future revenues?



Disclosures

What information do shareholders need?



Impairments

Estimating the long term effects of the pandemic.



Post-Balance Sheet Events

What information should be reported?

GOING CONCERN

FRC's key messages to audit firms for enhancing procedures for COVID-19

Consultations	Internal technical panels, reviews and peer review
Communications	Regular bulletins and briefings to partners and staff
Audit Reports	Clear guidance and policies on going concern considerations
Risk Assessments	Centralised risk assessments for entities with higher Covid-19 related risks
General Assumptions	Published data on economic assumptions
Reverse Stress Testing	Specific audit procedures to stress testing
Increased details on GC/Covid-19	Risk-based work programs
In-flight and specialist reviews	Use of internal non-audit specialists

FRC's review of firms' going concern policies and procedures, 29 June 2020

GOING CONCERN



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. BASIS OF ACCOUNTING

Aston Martin Lagonda Global Holdings plc (the "Company") is a company incorporated in England and Wales and domiciled in the UK. The Group Financial Statements consolidate those of the Company and its subsidiaries together referred to as the "Group".

The Group Financial Statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The Group Financial Statements have been prepared under the historical cost convention except where the measurement of balances at fair value is required or specified by the standards. The Financial Statements are prepared in millions to one decimal place, and in sterling which is the Company's functional currency.

An overview of the business activities of Aston Martin Lagonda, including a review of the key business risks that the Group faces, is given in the Strategic Report on pages 4 to 60. The debt facilities available to the Group and the maturity profile of this debt is shown in note 31 of these Consolidated Financial Statements.

GOING CONCERN

The Group meets its day-to-day working capital requirements and medium term funding requirements through a mixture of Senior Secured Notes (€400m and \$140m @ 3.7%, \$150m @ 12%, £230m and £55m @ 5.75% which all mature in April 2022), a revolving credit facility (£200m) which matures January 2022, facilities to finance inventory, a number of back-to-back loans and a vehicle wholesale financing facility (as described in note 18). The amounts outstanding on all the borrowings are shown in note 23 to the financial statements.

As explained in the letter from the Chair and in the CEO Q&A, 2019 was a challenging year for the Group and, following an operational and financial review, on 31 January 2020 the Group announced its intention to raise £500m by way of a placing of shares totalling £182m to a consortium led by Lawrence Stroll, and a rights issue of £318m. Receipt of the £500m is dependent upon sufficient shareholders voting in favour of the placing and rights issue at a General Meeting of the Company scheduled for 16 March 2020. At the date of approving these financial statements, the Company had irrevocable support from the major shareholders for the placing and rights issue but this was before the 75% needed for the proposals to be approved. Assuming the relevant resolutions are passed, and other formalities are consequently met, the rights issue is fully underwritten and committed.

Based on the most business plan described on pages 14 and 15, the Directors have prepared trading and cash flow forecasts for the 12-month period from the date of approval of these financial statements. These forecasts assume that the £500m placing and rights issue funding is received in March and April 2020 and show that the Group has sufficient financial resources to meet its obligations as they fall due for the period of at least 12 months from the date of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

GOING CONCERN (CONTINUED)

The forecasts make assumptions in respect of future market conditions and, schedule volumes, average selling price, the launch of new models including DBX and Valkyrie and the potential impact of Coronavirus on sales in China and the supply of components needed for production. The nature of the Group's business is that there can be variation in the timing of cash flows around the development and launch of new models and the availability of funds provided through the vehicle wholesale finance facility. The forecasts take into account these factors to an extent which the directors consider represent their best estimate of the future based on the information available to them at the time of approval of these financial statements.

The Directors have also prepared a downside loss at which incorporate certain adverse events or other representing those key risks disclosed in the Strategic Report which the directors consider most likely to impact cash flows over the period of the forecast, including lower wholesale volumes as a result of trading or supply chain disruption, product launch delays and the non-renewal of financing facilities. That nature is the period, in the event that these downside materialise the Directors have considered the mitigating actions that could be taken including removal of current financing, access to other financing and deferral of capital expenditures. If the Placing and Rights Issue were not to happen this downside could not be mitigated by other actions. As the Placing and Rights Issue is not guaranteed as it is subject to shareholder approval and is critical to the funding requirements of the Group, the directors consider this matter represents a material uncertainty which could cast significant doubt on the Group's ability to continue as a going concern.

Despite the material uncertainty noted, the Directors are of the view that there is a reasonable expectation that the Rights Issue and Placing will proceed and that they can therefore conclude that they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and they can continue to adopt the going concern basis in preparing the financial statements. Therefore, these financial statements do not include any adjustments that would result if the going concern basis of preparation was inappropriate.

BASIS OF CONSOLIDATION

On 3 September 2018 the Company obtained control of the entire share capital of Aston Martin Holdings (UK) Limited by way of a share for share exchange with one share in the Company being exchanged for one share in Aston Martin Holdings (UK) Limited. Consequently, the Group incorporated the assets and liabilities of Aston Martin Holdings (UK) Limited at their pre-combination carrying amounts without fair value uplift. The equity balance as at 1 January 2018 reflects the equity of Aston Martin Holdings (UK) Limited. The share capital at £2.1m as at 31 December 2018 and 31 December 2019 reflects the share capital of the Company. Although the share for share exchange in 2018 resulted in a change in legal ownership, the comparative results presented reflect the contribution of the pre-existing group headed by Aston Martin Holdings (UK) Limited. The transaction was accounted for as an income acquisition in line with IFRS 3. The Consolidated Statement of Changes in Equity for the year ended 31 December 2018 explains the impact of these transactions in more detail.

“Despite the material uncertainty noted, the Directors are of the view that there is a reasonable expectation that the Rights Issue and Placing will proceed and that they can therefore conclude that they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and they can continue to adopt the going concern basis in preparing the financial statements. Therefore, these financial statements do not include any adjustments that would result if the going concern basis of preparation was inappropriate.”



Q&A

TOBY DUTHIE



FOUNDING PARTNER | LONDON
FORENSIC ACCOUNTING
+44 (0)20 7269 7837
tduthie@forensicrisk.com

RECOGNITION

- 2018 and 2019 Investigations Forensic Accountant of the Year, Who's Who Legal
- 2020 Global Elite Thought Leaders, Who's Who Legal
- 2019 Thought Leaders – GIR, Who's Who Legal

LANGUAGES

- English
- German

Toby Duthie is a Founding Partner of FRA and head of its UK and European offices. He has more than 20 years' experience in financial analysis, complex financial modeling, investigations and compliance reviews. Fluent in English and German, Toby has particular expertise in multi-jurisdictional investigations, anti-bribery and corruption compliance testing, and specializes in matters of government enforcement.

Toby has worked on many complex financial frauds and bribery investigations, most notably leading the FRA team supporting Airbus in a multi-year, multinational investigation, resulting in €3.6bn settlement with four investigative authorities: UK Serious Fraud Office (SFO), the US Department of Justice (DOJ), the US Department of State (DOS) and French Parquet National Financier (PNF). FRA advised Airbus and its counsel from the early stages in designing a robust and forensically based approach to the investigation, customising a data governance strategy alongside compliance risk assessment and remediation support, as well as the eventual fine calculation.

He has also been involved in other disgorgement and fine calculation analysis requiring modelling in multiple jurisdictions including the Rolls-Royce £671 million DOJ, SFO and Brazilian settlement, the US\$521 million Teva Settlement and the US\$328 million SBM Offshore DOJ settlement.

Toby has been integral in resolving high-profile enforcement cases going back to 2004 including Innospec, Panalpina, Total, Technip Bonny Island LNG and the Diebold FCPA monitorship. He has worked on matters involving UK, US, Swiss, Brazilian, Dutch and French regulators and has extensive experience calculating damages in FCPA enforcement actions. He has worked on four of the 10 largest FCPA settlements. A graduate with honours from University College London, Toby worked as a steel trader in Hong Kong and in the investment banking division of Deutsche Bank/Morgan Grenfell.

Toby sits on the editorial board of the Global Investigations Review (GIR). He also set up the UK's first third party litigation funding company in 2002 (IM Litigation Management Limited) which pursued over 50 claims with over a 70 per cent success rate. Highly regarded and trusted within the industry, clients note that "there is no one better in the field".

REPRESENTATIVE EXPERIENCE

- €3.6 billion Airbus settlement with French, UK and US authorities
- £671 million Rolls-Royce settlement with the DOJ, SFO and Brazilian authorities
- \$521 million Teva Settlement
- \$328 million SBM Offshore DOJ settlement



CAROL A. DER GARRY



PARTNER | WASHINGTON, DC
+1 (202) 355 1241
cdergarry@forensicrisk.com

LANGUAGES

- English
- Spanish
- Portuguese

Carol A. Der Garry has 35 years of professional experience as a certified public accountant in forensic investigations, auditing and accounting, in both the public and private sector. She held a leadership role within the Public Company Accounting Oversight Board (PCAOB) Division of Enforcement and has worked at the US Securities and Exchange Commission (SEC) Enforcement Division. Carol also has in-house experience at a public company and as an auditor at international accounting firms.

Carol's practice focuses on accountant and auditor liability matters, including assessing complex accounting and auditing issues and auditor conduct in SEC and PCAOB enforcement matters, internal investigations, complex accounting and financial reporting projects, accounting restatements, and the application of US Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS). She also analyzes compliance with PCAOB auditing standards, including quality control and independence standards. She has worked with outside counsel on multi-national regulatory investigations, SEC enforcement matters and litigation, and has served as an expert witness for the SEC.

Prior to joining FRA, Carol was an Associate Director at the PCAOB and was the lead accountant on high-profile investigations, including those involving international accounting firms and their former partners. She worked closely with the PCAOB Office of General Counsel, the Office of the Chief Auditor, and the SEC Enforcement Division, and coordinated regularly with foreign regulators.

While at PCAOB, Carol received numerous awards, including the PCAOB Superior Achievement Award, Division Director's Award and Division International Case Result Award. She earned masters' degrees in Accounting and Business and Public Management, both from Rice University. She is a member of the American Institute of Certified Public Accountants and the Association of Securities and Exchange Commission Alumni.

REPRESENTATIVE EXPERIENCE

- Conducted investigations on behalf of the PCAOB and SEC regarding PCAOB auditing standards and rules and SEC regulations
- Investigated accounting improprieties, Ponzi schemes, financial fraud, and accountant malpractice
- Worked closely with the FBI and IRS's criminal division on certain SEC investigations
- Assisted in preparing expert report included in Wells submission for auditor in defense of SEC enforcement matter
- Directed audits of privately held and publicly traded companies' financial statements
- Led teams working on restatements



PETER BURRELL



PARTNER | LONDON

+44 20 3580 4702

pburrell@willkie.com

Peter Burrell is a partner and heads Willkie's Litigation, Compliance and Enforcement and White Collar Defence Practices in the London office.

Peter is recognised as one of the UK's leading specialists in corporate crime and compliance matters. His practice includes advising on compliance issues relating to money laundering, bribery and corruption, sanctions and fraud; conducting complex internal corporate investigations; and defending companies and individuals in investigations and enforcement actions by the UK's Serious Fraud Office, Financial Conduct Authority, HM Revenue and Customs, and other law enforcement and regulatory agencies. He also handles complex High Court litigation and arbitration proceedings in London, with a particular focus on financial fraud, securities disputes and financial reporting issues.

Chambers and *Legal 500* cite Peter as a leading practitioner in his areas of practice in the UK. His recent representations include:

SELECTED SIGNIFICANT MATTERS

- Acting for Afren Plc in connection with an investigation concerning alleged breaches of Listing Rules and Improper Payments
- Acting in relation to the SFO's failed prosecution of 6 brokers concerning LIBOR manipulation
- Representing Tony Allen in connection with a US prosecution for alleged incorrect LIBOR submissions
- Acting for Mabey and Johnson, the first U.K. company to be convicted for overseas bribery and corruption and violations of sanctions laws
- Acting for Virgin and its executives in connection with its claim for immunity arising out of the OFT price-fixing investigation into fuel surcharges
- Acting for Weir Group Plc in its prosecution for sanctions breaches relating to payments to Iraq

SIMON OSBORN-KING



PARTNER | LONDON

+44 20 3580 4702

sosborn-king@willkie.com

Simon Osborn-King is a partner in Willkie's Litigation and Compliance, Investigations & Enforcement Practices in London. Simon has a broad-ranging domestic and cross-border investigations, commercial litigation and arbitration practice. Simon has significant experience in complex regulatory, criminal, and internal investigations and enforcement proceedings facing multinational corporations, financial institutions and individuals across a wide spectrum of business sectors including before the U.K. Financial Conduct Authority and Serious Fraud Office, US Department of Justice, European Commission, Italy Public Prosecutors' Office, Japan Financial Services Agency and Korea Fair Trade Commission.

Simon also represents a range of clients, including financial institutions, funds, major corporates, shareholders, and high-net worth individuals in high value and complex commercial litigation and arbitration proceedings, often with parallel UK and US dimensions. He has particular experience in relation to disputes where allegations of fraud, conspiracy or misconduct are central issues.

Simon is frequently called upon to provide urgent advice on compliance issues relating to anti-corruption, sanctions, whistle-blowing, money-laundering and data protection.

Simon was recognised in the 2020 edition of *Global Investigations Review's* '40 under 40', which celebrates the next generation of leading investigations specialists from around the world.

MATTHEW REES



DIRECTOR | LONDON
FORENSIC ACCOUNTING
+ 44 (0) 20 8054 3701
+ I 44 7597 098587
mrees@forensicrisk.com

Matthew Rees is a Director in FRA's London office in the Forensic Accounting team. Matthew has over 20 years' experience of delivering forensic accounting, data analytics and internal audit services. He has experience of a wide range of industries including banking, pharmaceuticals, telecommunications, oil and gas and fine art gained in many regions including Africa, Central America and the Middle East.

Prior to joining FRA, Matthew spent 5 years in the Internal Audit team at Citigroup where he was responsible for providing assurance over fraud risk and designing and implementing audit programs and enabling tools. In addition he conducted investigations in response to concerns escalated by regulators and through the bank's own ethics reporting channels.

Matthew spent 15 years at Big 4 accounting firms where he led a wide variety of investigations and dispute and competition related matters. He consistently integrated forensic technology within his engagements and developed software tools to interrogate accounting data. He has extensive experience of using visualisation techniques to enable the interrogation of large scale datasets and provided fraud risk and data analytics subject matter expertise to a long term project transforming EY's global external audit capabilities.

Throughout his career Matthew has designed and delivered training programs on fraud and forensic technology and was a member of Citigroup Internal Audit's coaching faculty. He has published articles on forensic accounting in general and the application of technology in particular and he was the contributing editor of the book "Corporate Fraud – The Human Factor" (Bloomsbury, 2014).

Matthew is a member of the Institute of Chartered Accountants in England and Wales and a Certified Fraud Examiner.

