



# TRANSPARENCY REPORT 2023

Information for the financial year

01/01/2023 - 31/12/2023



April 2024





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## PROLOGUE



I present to you the Transparency Report of COMPASS Certified Public Accountants and Business Consultants in Greece for the financial year ended 31/12/2023. According to Article 13 of Regulation (EU) 537/2014 the Transparency Report is published on an annual basis.

This year marks the second year of operation of our firm and the first year of full operation and marks the effort of a team of people to provide high quality services within the framework of the current legislation.

We have been going through a period of intense challenges for some time now, which makes the need to build strong links between working teams to meet the day-to-day challenges acute. We at COMPASS remain committed to the above, as we believe that honest cooperation, respect for people and fair play are characteristics that govern our company and we want to pass them on to our people.

Through our many years of experience with more than 20 years of presence in the audit field, we remain close to our partners and our people and our goal is to continue working with the same dedication and responsibility.

By contributing to the march of business towards a better future, we become better ourselves, upgrade the domestic economy, continue to inspire confidence in our partners and ensure a better tomorrow.

Yours sincerely

Konstantinos Koutroulos

Managing Partner, Certified Public Accountant





## CORPORATE FORM AND SHAREHOLDERS

### COMPANY FORM

Compass was established in 2022, under the name "Compass Certified Public Accountants and Consultants M.I.C.E. Its legal form is a one-person private limited company. Its registered office is in Maroussi, at 44 Kifissias Avenue, P.O. Box 15125.

### Registration in public registers of statutory auditors

Compass is registered with the Audit Registry (SOEL) with Registration Number 198 and with ELTE with Registration Number 69.

### Corporate Composition

The sole shareholder of the company, Konstantinos Koutroulos, is a Certified Public Accountant, member of the Board of Certified Public Accountants, with registration number SOEL 2570 and registration number HAASOB 2171. Also listed below are the details of the Chartered Auditors authorised to sign on behalf of the company who are not shareholders or partners:

- Athanasios Roilos of Andreas, SOEL Reg No.1892 and HAASOB Reg no 1723
- Pavlos Stafylas of Nikolaos, SOEL Reg No.2832 and HAASOB Reg no 1783
- Ioannis Makris of Theodoros SOEL Reg No.2813 and HAASOB Reg no 1482
- Nicholaos Makris of Theodoros SOEL Reg No.3479 and HAASOB Reg no 2781
- Filippos Kampouropoulos of Emmanuel SOEL Reg No.3614 and HAASOB Reg no 2695.

## CORPORATE GOVERNANCE

The company, for the financial year under review 01/01/2023- 31/12/23, continued its course by faithfully applying the principles of corporate governance, and more generally with international best practices.

### MANAGEMENT

The management and representation, administration and commitment of the Company has been entrusted for its entire duration to the partner, Konstantinos Koutroulos of George, who legally represents the company and performs every management act under the company name.

### GENERAL MEETING OF THE PARTNERS

The General Assembly is the highest institutional body of the company and takes decisions on issues such as the approval of the financial statements, the undertaking of financial and/or strategic partnerships. The General Assembly is attended by all partners, who are informed about the progress of the company and the implementation of its strategic plan. The partners have the opportunity to submit their proposals and to point



out any organisational or operational issues. Decisions at the General Meeting are taken in accordance with the law and the provisions of the Articles of Association.

## ORGANISATIONAL STRUCTURE

Below is the typical organisational structure of the company which is determined by the definition of the departments and committees with their respective managers and is broken down as follows:

- **Quality Control Committee:** Responsible Pavlos Stafylas. The committee is responsible for the adoption of policies in application of applicable legislation and professional standards as well as the development and communication to the company's staff of the company's quality policies and procedures.

The committee is responsible for ascertaining the degree of compliance of the audits carried out with the requirements of the International Standard for Quality Control (ISQC 1). The Committee shall carry out the annual assessment of the company's compliance with the principles and requirements of the International Standard for Quality Control 1 (ISQC 1). As part of the annual quality assurance review, a sample review of at least one completed assignment for each assignment partner (cold review) is carried out on a cyclical (three-year) basis. The review shall be carried out by a member of the quality control committee who was not involved in the commission to be reviewed. The committee also cooperates with the supervisory authorities (ELTE/SOEL) when conducting external quality audits.

- **Ethics Committee:** Responsible Athanasios Roilos. The Ethics Committee has been established and is responsible for monitoring the application of ethical requirements and independence in the awarding and execution of contracts.
- **- Risk Management Committee:** Responsible Konstantinos Koutroulos. The responsibilities of the manager are to implement appropriate procedures for the identification, assessment and management of risk in the implementation of the corporate policy. The committee is also responsible for approving projects to new and existing clients and assessing the risks arising from the undertaking of work.
- **Anti- Money Laundering Committee:** the Head of the Committee is the Head of the Compliance Officer of the company. The Committee is in charge of ensuring compliance with regard to Law 4557/2018 on combating money laundering and financing of terrorism, as amended.

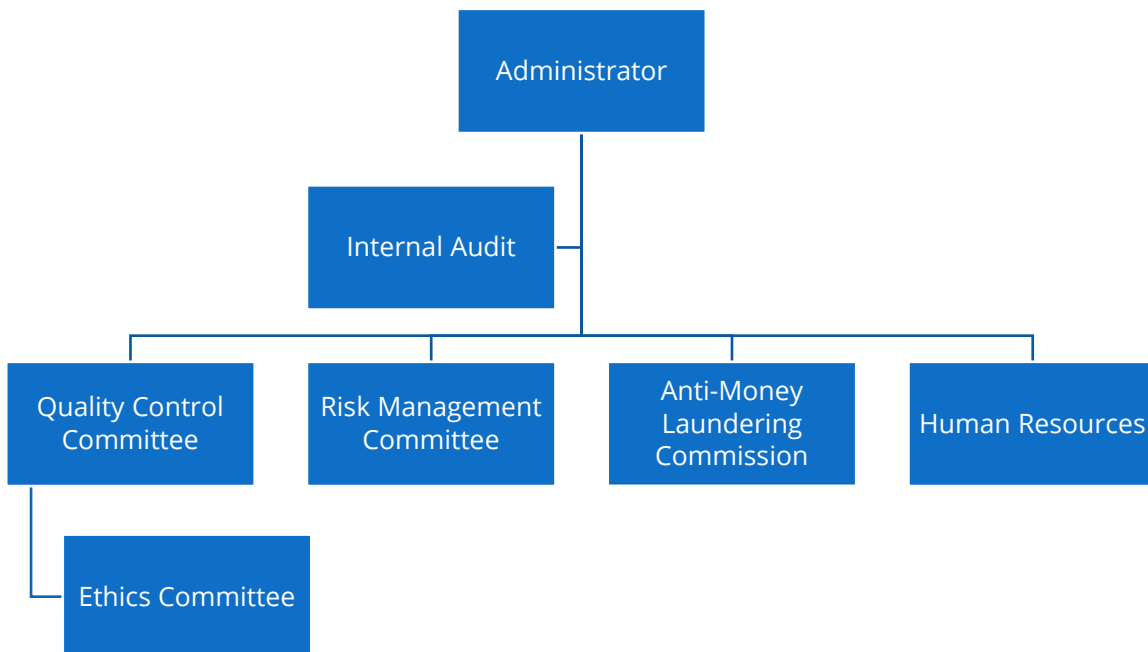
Its responsibilities include:

- Adoption of policies and procedures within the framework of the company's obligations resulting from the application of the above legislation.
- Approval of client projects and monitoring of compliance procedures with the due diligence measures defined in Law 4557/2018.



- Preparing a report on money laundering to the supervisory authorities.
- Training and briefing of staff regarding the company's policies and procedures as well as the current regulatory framework related to Law 4557/2018.
- - **Human Resources:** Head Konstantinos Koutroulos.
- - **Internal Audit:** Responsible Ioannis Makris. The responsibilities of the manager are to ensure compliance with the applicable legislation and the proper and effective organization and operation of the company. The responsibilities of the internal audit include verifying the implementation of the company's internal policies and procedures in accordance with the requirements of Law 4557/2018.

### COMPANY ORGANISATION CHART



## INDEPENDENCE, INTEGRITY, OBJECTIVITY

The company has established policies and procedures that ensure the independence, objectivity and integrity of both itself and all staff in the provision of services.

All members of the firm shall consider each time they undertake an audit whether their independence is compromised in any way. In particular, staff members should consider whether their relationship (financial, professional, personal) with the client or a related person or entity would be such that an informed and prudent third party would be likely to cast doubt on their own or the firm's independence.



If so, they are obliged to disclose any relationship to COMPASS and refuse to be audited. In addition, all staff sign an annual declaration of independence every year, in accordance with the requirements of the International Standard for Quality Control 1 ISQC-1.)

### **Change of Audit Firm and main partners**

The company complies with the provisions of Regulation (EU) 537/2014 regarding the maximum duration of the mandatory audit of Public Interest Entities (PIEs) for a maximum period of ten years. In order to avoid the risk of familiarity and to implement the rotation requirements for the DPAs, after the maximum period has expired, the audit firm may be reappointed after a cooling off period of four (4) years.

The company is also harmonized with the provisions of Regulation (EU) 537/2014 and Law 4449/2017 regarding the rotation of the main controlling partner.

In particular, for the main audit partners who are responsible for carrying out the statutory audit of Public Interest Entities, according to paragraph 7 of Article 16 of Regulation (EU) 537/2014, they shall cease their participation in the statutory audit of the audited entity no later than seven (7) years from the date of their appointment and may be reappointed after a cooling off period of three (3) years.

In order to safeguard the independence of the statutory auditor, with regard to statutory audits of entities that are not in the public interest, the lead audit partners responsible for carrying out the statutory audit shall cease to participate in the statutory audit of the audited entity no later than seven (7) years from the date of their appointment and may not participate again in the statutory audit of the audited entity until three (3) years after such cessation.

With regard to the rotation of the EQCR and senior audit staff, the firm has taken into account the provisions of the IFAC Code of Professional Ethics for Professional Accountants, the announcements-guidelines of the E.L.T.E., the announcements-guidelines of the International Ethics Board for Accountants (IESBA) and the International Standards on Auditing.

The firm has adopted mechanisms to monitor and comply with the rotation requirements of the firm and the auditors appointed as principal audit partners, the reviewers (EQCR) and senior audit staff at each client. The Ethics Committee maintains a record of monitoring the length of service of these individuals.

### **Communication with the audit committee in public interest entities**

The company applies what is required by the provisions of Regulation (EU) 537/2014 regarding the communication that the company is required to have with the audit committee on independence issues. In particular, the company:





(a) confirm annually in writing to the audit committee that the statutory auditor, the firm and the partners, senior management and directors carrying out the statutory audit are independent of the audited entity; -  
(b) discuss with the Audit Committee the risks to its independence and the safeguards in place to mitigate those risks, as recorded in accordance with paragraph 1 of Article 6 of Regulation (EU) 537/2014,  
(c) where the total fees paid by a public interest entity for each of the last three consecutive financial years exceed 15 % of the total fees received by the company or, where applicable, the group auditor carrying out the statutory audit, for each of those financial years, the company or, where applicable, the group auditor shall disclose that fact to the audit committee and hold discussions with the audit committee on the risks to the auditor's ability to carry out the statutory audit; and (d) where the total fees paid by a public interest entity for each of the last three consecutive financial years exceed 15 % of the total fees received by the company or, where applicable, the group auditor carrying out the statutory audit, for each of those financial years, the company or, where applicable, the group auditor shall disclose that fact to the audit committee and hold discussions with the audit committee on the risks to the statutory audit.

### **Provision of non-audit services**

In the case of clients that are Public Interest Entities and where mandatory audits are carried out, the "Ethics Partner" as well as the "Engagement Partner" (at the stage of acceptance) verify that the prohibited non-audit services referred to in Article 5 of Regulation (EU) 537/2014 will not be provided.

The amount of the total fees of the permitted non-audit services for the control of the application of the provisions referred to in paragraphs 2 and 3 of Article 4 of Regulation (EU) 537/2014 is also checked.

Where clients are not Public Interest Entities, the Engagement Partner should remain alert to the possibility that any of the threats to independence set out in the IFAC Code of Professional Conduct for Professional Accountants may occur in relation to non-audit services.

However, the threats most commonly associated with non-audit services to audit clients are, due to personal interest, self-review, administration and advocacy. The severity of potential threats is assessed by the Ethics Partner and the Engagement Partner prior to the Firm's engagement to provide any non-audit services to a client to ensure that appropriate safeguards are in place to eliminate threats or reduce them to an acceptable level.

### **Audit fees**

Fees for carrying out statutory audits are not conditional fees.

The company takes measures to reduce the threat of personal interest when the total fee from a client represents a large part of the company's total fees. In such cases, the approval of the firm's administrator is required to initiate or continue working with the client and an "Reviewing Officer (EQCR)" is appointed.

Additional protective measures that could be implemented could include, but are not limited to, the following:

- external quality assurance reviews,
- consultation with professional regulatory authorities; and



- - any other action in order to reduce dependence on that customer

In addition, in the case of Public Interest Entities, the company applies the provisions of Regulation (EU) 537/2014.

In particular, when the total remuneration paid by a Public Interest Entity (PIE) for each of the last three consecutive financial years amounts to more than 15% of the total remuneration received by the company for each of those financial years, the company discloses this fact to the audit committee and holds discussions on the risks to its independence and the safeguards in place to mitigate those risks.

The company has also complied with the requirements of paragraph 2 of Article 4 of Regulation (EU) 537/2014 in relation to the fees for permitted non-audit services. In particular, the total fees for non-audit services for a period of three or more consecutive years should not exceed 70% of the average of the fees for statutory audits for the last three consecutive years. For the purpose of calculating the fees, the fees paid by the audited entity, its parent company and its controlled companies shall be taken into account.

### **Fees – overdue**

When an audit client has not paid the company the audit fee for a significant period of time, then a personal interest threat may arise. In such cases the Audit Engagement Partner should consult with the Ethics Partner to assess whether the Company can continue the audit.

The company is required to reserve the acceptance of an audit engagement of an entity if the entity to be audited has not paid in full the statutory audit fee for the previous financial year or years. This reservation shall be communicated in writing to the management of the entity, with notification to the HAASOB, and may be lifted with the approval of the HAASOB.

### **Procedure for monitoring the type of services provided and the level of fees**

The firm maintains procedures to monitor the level of fees and to eliminate the risk of providing unacceptable additional services to controlled and non-controlled clients. In particular, it maintains an electronic file in which all clients and the nature of the work provided to each client and its related companies as well as the fees for the work are recorded.

The above record is monitored during the year by the "Ethics Partner"

The Audit Engagement Partner's agreement must be effected by a relevant project acceptance form which is also signed by the Ethics Partner prior to the firm's engagement to provide any non-audit services to an audit client or any of its affiliates.

### **Client Confidentiality**

Relations with customers are confidential and all measures are taken to avoid any breach of confidentiality.



During the course of a project, it is possible that confidential information concerning the client may become known to the audit team. Particular care is taken to ensure that the required confidentiality is maintained.

### **Client Acceptance**

The client acceptance policy aims to ensure not only the independence of the company but also the high quality of the audits.

The acceptance of any new client requires the firm's prior assessment and evaluation in each case of both the client's management integrity and the firm's independence and ability to provide an appropriate and quality service

The project manager prepares the Client acceptance form which outlines important issues that were considered and evaluated during the client acceptance process. This completed file is submitted for approval to the Risk Management Committee which ultimately approves or disapproves the acceptance of each new client.

During the new client acceptance process, specific client identification surveys are carried out and measures (normal or due diligence) are taken depending on the level of risk with which each client is categorised. In addition, the auditor in charge is involved in the process of accepting new clients.

### **Client Re - Acceptance**

The company has established procedures regarding the continuation of client relationships and assignments. The company considers customer retention standards to be as important as those of acceptance. Accordingly, the firm's relationships should be reviewed annually and a re-acceptance form completed and approved by the assignment partner for all continuing assignments. This record shall be submitted to the Risk Management Committee for approval. Due diligence measures shall also be applied to existing clients taking into account the time limits for updating the identification documents as set out in the HAASOB Regulatory Act 001/2021. No award letter should be issued until all acceptance procedures have been satisfactorily completed.

### **Personal Data Protection**

The company complies with the provisions and basic principles of the European General Regulation No. 679/2016, Law 4624/2019 and the applicable Greek and European legislation on the protection of personal data.

## **HUMAN RESOURCES**



The company's Human Resources department is responsible for personnel-related issues such as:

- handling all work on personnel matters, within the framework of the policy and the relevant rules set by the labour legislation
- conducting the recruitment and dismissal of staff
- professional development and appraisal of staff
- organising staff training and development

- drawing up a salary and incentive policy

### STAFF GRADES

The grades of staff are distinguished as follows:

Partner
Director
Senior Manager
Manager
Senior
Assistant

### STAFF ASSESSMENT

The evaluation process is a basis for the professional training and development of the company's staff.

All staff must have at least one appraisal on an annual basis.

### STAFF TRAINING

All staff members should be formally aware of the Company's purposes, principles, rules and procedures, and should understand their own role and responsibilities within the structure of the Company as a whole.

The manuals related to the company's policies regarding ISQC-1 and Law 4557/2018 along with a copy of the IFAC Code of Professional Ethics for Professional Accountants are delivered (hard copy or electronically) to employees on the date of their employment. They are also informed about the intranet where supporting material (e.g. Regulation (EU) 537/2014, Law 4449/2017, etc.) is available.

Training for all is a priority for the company. The training programs followed by the staff are fully funded by the company.



The training needs for each member of the company's staff are determined on the basis of the general training needs that have been jointly identified and the following are considered:

- The needs imposed by the market and the opportunities presented for new services.
- Standards and seminars set by our professional regulators.
- A programme of long-term professional studies leading to professional qualifications such as: ISSOEL, ACCA, ACA, CIA, CFA, CISA, CISM, KEK O.P.A.
- The training of staff members holding the title of Chartered Accountant shall be for a minimum of 120 hours per three-year period with a minimum of 20 hours per year.

## **BASIS FOR CALCULATING THE FEES OF THE STATUTORY AUDITORS AND THE SHAREHOLDERS OF THE AUDIT FIRM**

The fees of the company's statutory auditors are allocated on the basis of a general component of a wide range of criteria, such as the amount of fees required for their compulsory insurance in the insurance funds, their turnover and productivity, their professional standing and the overall performance of the company.

## **QUALITY CONTROL**

Independence and the quality of our services are many important factors. For this reason, a number of quality control policies and procedures, risk assessment measures and monitoring systems have been designed and implemented to ensure both independence and the fact that the company meets the high standards it has set and which meet the standards our clients expect. The company has rigorous quality assurance procedures in place such as:

- technical and procedural manuals to ensure that its work is delivered to a consistently high standard.
- continuous training for all partners and staff,
- proactive quality control procedures to ensure that a project meets the required quality standards (Engagement Quality Control Reviews or hot reviews). In particular, when an audit engagement meets the criteria set by the firm, a review of the quality controls is carried out before the audit report is issued (hot review) by an EQCR who is independent of the engagement team. In the case of public interest entities, the EQCR shall be a statutory auditor.
- Quality assurance reviews, which ensure the effectiveness and proper operation of the company's quality management procedures.

Quality assurance reviews conducted annually by members of the quality control committee are a monitoring tool needed to ensure that the quality assurance systems developed by the company are properly designed and effectively implemented. The quality assurance review process should be documented and a report should



be prepared documenting the procedures performed and findings and recommended actions and sent to the quality control committee.

As part of the annual quality assurance review, a cold review of at least one completed assignment for each contracting partner is carried out on a sample basis on a cyclical basis (three years). The review shall be carried out by a member of the quality control committee who was not involved in the assignment to be reviewed.

The company should annually communicate the findings of this process to the relevant Commissioning Partners and appropriate staff members as well as the recommendations for improving the quality assurance system and its application to all assignments. The notification should be sufficient for appropriate individuals to take appropriate corrective action and should include:

- Description of the monitoring procedures performed,
- the conclusions drawn, and
- a description of systemic, recurrent or significant deficiencies and corrective actions.

If necessary, the company may select external consultants to carry out cold reviews and other procedures to monitor the company's quality policies and procedures.

## QUALITY CONTROL BY THE SUPERVISORY AUTHORITIES

In June 2003, the Accounting Standardization and Audit Committee (ELTE) was established and one of its main activities is to monitor the quality of the regular audits carried out by the members of the Institute of Certified Public Accountants (SOEL).

ELTE, in accordance with the legislation and in particular Law 4449/2019, has, inter alia, the following responsibilities::

1. is the competent authority for granting professional approval to certified public accountants and audit firms
  - is responsible for ensuring the quality of the work of statutory auditors, accountants and audit firms carrying out statutory audits;
  - is the competent body to receive written reports or complaints about violations of Law 4449/2017 and Reg. 537/2014 and is responsible for imposing administrative sanctions for any violation of the law.
1. It is responsible for adopting standards on professional ethics, internal quality control of audit firms and audits, unless these standards have been adopted or approved by authorities in another Member State

In particular for statutory auditors and audit firms carrying out statutory audits of public interest entities, quality reviews by the supervisory authority should be carried out on the basis of a risk analysis at least every three years.

The administrative care for the execution of the quality control of statutory auditors and audit firms has been entrusted to the Quality Control Council of ELTE in accordance with the provisions of Law 4449/2017.

No quality control has been carried out by a supervisory body on the company since its establishment until today.

## FINANCIAL INFORMATION



The company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS).

Below is a breakdown of turnover for the year 2023 as follows :

Service	Turnover 2023
Revenue from the statutory audit of public interest entities and entities belonging to a group of enterprises whose parent company is a public interest entity. (30.6.2023).	13.060
Revenue from statutory audit of other entities	201.440
Revenue from permitted non-audit services provided to entities controlled by the audit firm.	2.200
Revenue from non-audit services provided to other entities.	672.154
<b>Total</b>	<b>888.854</b>

## ENTITIES OF PUBLIC INTEREST

The public interest entities for which the Company has been appointed as statutory auditor to conduct the statutory audits of the annual Financial Statements and the review of the corresponding interim Financial Statements, during the year for which this Transparency Report has been prepared, are the following:

- HOTEL - TOURISM - CONSTRUCTION & QUARRYING ENTERPRISES O K E K R O P S A.S.
- VIS CONTAINERS MANUFACTURING S.A
- EL D. MOUZAKIS S.A

## OTHER INFORMATION



Compass Certified Public Accountants and Consultants M.IKE. is fully compliant with the requirements of article 37 of Law 4449/2017 for professional liability insurance. In addition, the company is also harmonized with the requirements of Law 4635/2019 with the increased limits of liability coverage of 1,000,000 euros per incident and a total amount of 5,000,000 euros per year.

## STATEMENT

We declare that during the financial year ended 31/12/2023 the company adequately implemented the defined policies and procedures as specified in the legislation, article 13 of Regulation 537/2014 on monitoring:

- the issues of ensuring the independence of its members when carrying out statutory audits and the carrying out of an internal audit to ensure the independence of the Statutory Auditors that the relevant audit has been carried out for all the work undertaken during the financial year under review.
  - - the effectiveness of the internal quality assurance system.
- the continuous training of statutory auditors as provided for by Article 12 of Law 4449/2017 which incorporates the requirements of Directive 2006/43/EC, as amended by Directive 2014/56/EU.

**Pavlos Stafylas**

**DIRECTOR,**

**Head of Quality Control Committee**

**The above Transparency Report is accurate and complete in its content.**

**Maroussi , 15 April 2023.**

Konstantinos Koutroulos

Certified Public Accountant

Administrator and Managing Partner





## CONTACT DETAILS

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