

## PwC UK Independence Policy - Gifts or Favours

Members of an audit engagement team or the chain of command must not accept gifts or favours (including hospitality) from the audit client, or a related entity, unless the value of gifts or favours is trivial and inconsequential such that any threats to independence would be at an acceptable level.

Local supplement for United Kingdom (updated: 11 August 2020)

The Revised Ethical Standard 2019 states in Part A, 2.10, and Part B 4.40 that the firm, its partners and staff and any other covered person, are not permitted to offer or accept gifts and hospitality in relation to an audit engagement unless it is probable that an objective, reasonable and informed third party would consider the value thereof to be trivial or inconsequential.

The UK firm's policy is that gifts or favours, including hospitality, may not be offered to or accepted from audit clients, an audit client's related entities, or their directors, officers and employees.

The Ethical Standard also requires (in Part B 4.43) audit firms to have a policy over what gifts and hospitality can be offered to prospective audit clients, and to be clear on what events would trigger the application of the policy. This is discussed in more detail in the [FAQs](#), and in summary PwC UK's gifts and hospitality policy for audit clients also applies to prospective audit clients once we have confirmed as a firm that we intend to bid for the audit.

For the purposes of this policy:

Prohibited gifts would not include nominal value items purchased for less than £20.

The giving or receiving of any gifts to or from an audit client (other than those of a clearly nominal value) is prohibited. Nominal value items would include gifts such as corporate calendars, inexpensive pens with a company logo, tombstones for completed deals, company mugs, and similar.

For more information about the scope and application of this policy, see the Gifts and Hospitality FAQs in the [supplement to 5.16.41](#).

If there is any doubt as to whether a specific gift or hospitality arrangement would be permitted under this new policy, consultation with the audit partner and with the Independence team should take place before accepting or offering gifts (or hospitality).