



Fraud Management Internal Audit – February 2026

KPMG reviewed the design and operating effectiveness of controls to prevent and detect fraud in the ordering of materials within Curo's Kitchen and Bathroom teams. The audit followed the identification of fraud in early 2025 and considered the improvements subsequently made to the materials ordering and approval process. The audit provided **Significant Assurance with Minor Improvement Opportunities (Amber-Green)**.

The audit identified a number of areas of good practice. Improvements introduced following the earlier fraud incident included a documented operating procedure, increased involvement of team leaders in the ordering process and removal of the ability for trade operatives to purchase additional materials without approval. Controls also included the use of designated suppliers, pre-designed order sheets, segregation of duties and monthly monitoring of material expenditure against budget.

The main areas for improvement related to documentation, approval and inventory controls. KPMG found that approval of additional material orders was not always formally documented; evidence that materials delivered to site had been checked and received was not consistently retained; and clearer guidance was needed on the quantities of materials to be ordered. Opportunities were also identified to strengthen arrangements for materials retained following cancelled jobs and ensure signed collection receipts were consistently retained.

The findings comprised three medium and two low-priority areas, with no high-priority findings. Management agreed the findings; however, separate actions were not taken forward because decisions made following completion of the audit meant that significant changes to the organisational structure and the processes reviewed were due to take effect from April 2026.