

Patisserie Valerie shows how badly auditing is failing

Published: January 13, 2026, 9:22 am

This is [from the Guardian](#) this morning:

Accounts for [Patisserie Valerie](#) dating back to at least September 2014 contain unreliable figures on its financial performance, according to information sent to potential bidders for the stricken cafe chain.

Interested parties have been asked to put forward first round bids by Friday but so far have only limited information about the recent trading performance at the company, which [fell into administration](#) this month.

Sources told the Guardian that information sent to bidders by KPMG, which is acting as administrator, indicated only sales and profit data from after October 2018 or before September 2014 could be relied upon.

So an auditor managed to sign off years of false financial statements.

How? because auditors are essentially only now required to check that the accounting rules are followed. They are not required to check that the accounts are true and fair any more.

I suspect Patisserie Valerie made all the right disclosures. But not necessarily of the right information.

And the auditors thought the disclosures were all they had to worry about.