



Grant Thornton

An instinct for growth™

# Transparency report 2015

*Meeting needs around the world*



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# Foreword

Grant Thornton is one of the world's leading organisations of independent assurance, tax and advisory firms. This report is a public statement of our commitment to provide high-quality assurance services to businesses and organisations operating throughout the world. It is designed to help our member firms' clients, audit committees, regulators and the general public, who make up our many stakeholders, understand Grant Thornton.

Our stakeholders rightly expect us to have people, processes and technology in place that result in actions that are in the public interest, including delivering high-quality audits. This report also contains information about how member firms provide high-quality tax and advisory services to their clients.

Combined global revenues of Grant Thornton member firms for the year end 30 September 2014 were US\$4,729 million, an increase of 4.6% from 2013. Removing exchange rate fluctuation during 2014, the growth in local currency terms was 4.9%. Assurance services accounted for 43% (US\$2,027 million); advisory services for 29% (US\$1,373 million); tax services for 20% (US\$950 million); outsourcing for 6% (US\$291 million); and other services for 2% (US\$88 million).

I am proud of our organisation's achievements in 2014 and all credit goes to Grant Thornton's 40,000 people in more than 130 countries who are making a difference for their clients and their communities every day. We are committed to continuing to provide high-quality services to help businesses, and our people unlock their potential for growth. At Grant Thornton, we believe that without quality, we have nothing!



**Ed Nusbaum**  
Chief executive officer  
Grant Thornton International Ltd



# Governance and management

Grant Thornton International Ltd (GTIL) is a private company limited by guarantee, incorporated in England and Wales. It is an umbrella organisation that does not provide services to clients. Services are delivered by Grant Thornton member firms around the world. References to 'Grant Thornton' in this report are to the brand under which the Grant Thornton member firms provide assurance, tax, advisory, outsourcing and other services to their clients; and/or refers to one or more member firms, as the context requires.

As of 30 September 2014, GTIL has 130 member firms. Each member firm is a separate legal entity. Membership in the global organisation does not make any firm responsible for the services or activities of other member firms. Member firms carry the Grant Thornton name, either exclusively or as part of their national practice names.

## Governance

### Board of governors

The Board of governors (the Board) is the principal and overriding authority in GTIL. The Board exercises governance over GTIL and comprises the chief executive officer of GTIL (CEO), managing partners from the largest Grant Thornton member firms, managing partners elected from Grant Thornton member firms, which are not amongst the largest, and independent directors. The Board aims for a reasonable balance of representation from different geographical areas, including emerging markets. The Board's responsibilities include:

- providing input to the strategic development of Grant Thornton and approving the global strategic direction and policies of GTIL as established by the CEO
- overseeing the implementation of the global strategy
- overseeing membership matters, (including approving new member firms, suspending the rights of, or expelling a member firm)
- appointing and setting the remuneration of the chair of the Board
- appointing, evaluating performance and setting the remuneration of the CEO
- approving the budget and member firm fees
- overseeing the financial health of GTIL
- overseeing global enterprise risk management
- overseeing general governance matters, such as the composition and performance of the Board.

*Independent Board members bring a valuable external business-oriented perspective to the deliberations of the Board, add to the network's profile raising activities and increase Board transparency.*

### Chair of the board

The Chair of the Board (the Chair) is a proactive role with a focus on ensuring that the Board functions as a coordinated group in support of the CEO on global strategy, including but not restricted to provision of distinctive client service by our member firms.

As of 1 January 2015, the Chair is Scott Barnes and his term runs to December 2017. The role of the Chair is pivotal to creating the conditions necessary for a highly effective Board focused on our strategic global development.

Independent Board members bring a valuable external business-oriented perspective to the deliberations of the Board, add to the network's profile raising activities and increase Board transparency. Independent Board members support the organisation's recognition of its public interest responsibilities and its attitude towards quality, risk management and governance, and the organisation's effectiveness in executing its strategic goals and market positioning. GTIL has processes in place to ensure that the appointment of independent Board members and their ongoing service is compliant with the relevant independence rules.

The use of standing committees allows a more efficient and effective discharging of the Board's responsibilities and involves others in the activities of the Board. Each standing committee is chaired by a Board member and its membership includes, but is not limited to, Board members.

### The Board of Governors as of 30 September 2014

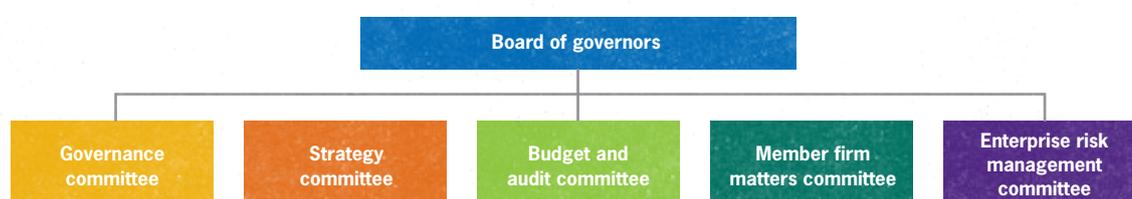
- **Scott Barnes**, United Kingdom
- **Peter Bodin**, Sweden
- **Pascal Boris**, independent member
- **Vinod Chandiok**, India
- **Jason Chen**, China
- **Stephen Chipman**, United States of America
- **Arnaldo Hasenclever**, Argentina
- **Klaus-Günter Klein**, Germany
- **Vassilis Kazas**, Greece
- **Daniel Kurkdjian**, France
- **Hector Perez Aguilar**, Mexico
- **Robert Quant**, Australia
- **Phil Noble**, Canada
- **Ed Nusbaum**, CEO, GTIL
- **Judith Sprieser**, independent member

### Standing committees

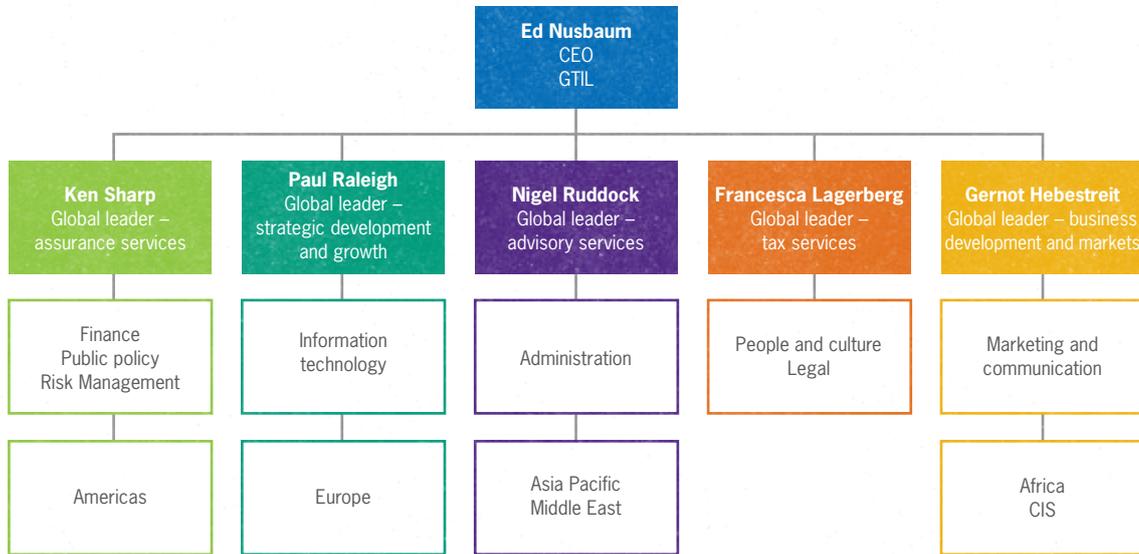
There are five standing committees with authority and powers for certain matters as delegated to them by the Board.

- Governance committee
- Strategy joint committee
- Budget and audit committee
- Member firm matters committee
- Enterprise risk management committee.

The use of standing committees allows a more efficient and effective discharging of the Board's responsibilities and involves others in the activities of the Board. Each standing committee is chaired by a Board member and its membership includes, but is not limited to, Board members.



## Management



### Global Chief executive officer

The CEO is appointed by the Board for an initial term of up to five years renewable once for a further period of up to three years.

The CEO is responsible for the leadership of GTIL. The role of the CEO includes the development and recommendation of global strategic priorities for ratification by the Board, together with overseeing execution of these priorities. The CEO has responsibility for appointing the global leadership team (GLT), subject to the concurrence of the Board. The GLT assists the CEO in the execution of the global strategy. The CEO works closely with the GLT in maintaining global policies and procedures, including those governing international work for the assurance, tax and advisory service lines.

### Global leadership team

The GLT develops and drives the execution of the global strategy, and is chaired by the CEO. It is a full time management group dedicated to leading the global organisation in the successful execution of the strategy. In addition to the service line and global development areas they lead, GLT members also have functional and regional responsibilities. The diagram above depicts these responsibilities as at 30 September 2014.

A critical role of the GLT is to work with member firms in driving the execution of the global strategy. Our ambition is to be known throughout the world as the leader in helping dynamic organisations ‘unlock their potential for growth’.

We organise our actions around four operational priorities, in addition to the overarching objective of quality in everything we do:

- fast and strategic growth
- distinctive client service
- best people
- efficient operations.

Implementation of the strategy builds on strategic frameworks, prioritised investments and growth strategies that are appropriate for our chosen markets.

# Risk management

Risk management is an enterprise-wide activity managed by the enterprise risk committee (ERC) of the GLT and overseen by the Board. There is an overall focus on continuous improvement in quality of service delivery, procedures to monitor quality and the risk management methodology.

Professional risks are managed by the risk management function under the direction of the global head – governance and risk management, who also chairs the ERC.

The responsibilities of the global risk management function include:

- developing, communicating and maintaining global policies and procedures designed to:
  - maintain independence and objectivity of professionals
  - establish minimum standards for client acceptance and client continuance activities of member firms
- developing training programmes covering the items referenced above
- developing and maintaining technology solutions to facilitate the effective and efficient execution of the procedures referenced above
- monitoring the effectiveness of the design and operation of member firms' systems of quality control over providing high quality services.
- monitoring member firm progress in executing action plans developed in response to quality inspection programme findings and taking additional remedial actions as necessary.

The global service lines have primary responsibility for the development, communication and maintenance of global policies and procedures regarding the delivery of professional services.



*Professional risks are managed by the risk management function under the direction of the global head – governance and risk management, who also chairs the ERC.*

### Member firm admissions

Prospective member firms must meet a number of criteria in order to be considered for membership. The criteria for membership include:

- the prospective firm's reputation for quality and its adherence to high standards
- adoption of our global policies, procedures and methodologies, including our methods and quality control systems for providing services to clients, our engagement protocols and our ethical and independence policies
- maintenance of a system of quality control that meets or exceeds International Standards on Quality Control (ISQC)1
- agreement to the periodic evaluation of their system of quality control by our global quality monitoring teams.

Admission as a member firm is dependent on the outcome of a due diligence process performed to determine whether the prospective firm meets the criteria for membership.

All member firms are subject to obligations set out in the Grant Thornton Member Firm and Name Use agreements and are required to abide by our global policies.

### Independence policies, guidance and training

Member firms adopt global policies and procedures that are designed to safeguard independence on assurance engagements and identify circumstances that could pose a conflict of interest. The global independence policies and procedures are based on the International Ethics Standards Board's Code of Ethics for Professional Accountants with supplements to govern compliance with our global independence and international relationship checking processes. Member firms are also required to adhere to their local regulatory requirements where more restrictive.

GTIL monitors compliance with these policies. Member firms are required to identify a partner with responsibility for overseeing independence matters, including providing training and obtaining annual confirmations of compliance with independence policies.

The increase in regulations and standards and the growing volume of services provided to international clients by Grant Thornton has made compliance with independence requirements a complex process. A global independence team (led by the global head – independence) assists member firms with understanding these requirements. The global independence team's responsibilities include providing:

- member firms with policy, guidance and training relating to independence matters
- guidance to member firms on interpreting, applying and complying with global policy or specific auditor independence rules
- oversight, compliance monitoring and support of the automated global independence system (GIS)
- an international relationship checking process designed to provide reasonable assurance that non-audit services are not provided to an audit client, or its affiliate without appropriate consultation with the audit partner and, where applicable, the client's audit committee
- member firms appropriate independence consultation when dealing with complex international regulatory and independence matters.



*Independent Board members bring a valuable external business-oriented perspective to the deliberations of the Board, add to the network's profile raising activities and increase Board transparency.*

### Global independence system

Avoiding financial interests in an assurance client, or its affiliate, prohibited by the independence rules is a key objective in maintaining the independence of member firms and the client service engagement teams. To help individuals and member firms achieve this objective, GTIL uses the GIS – an automated tracking system that identifies restricted entities (issuers of publicly traded securities in which financial interests are prohibited or restricted). This information is made available to all people in all member firms.

Member firms, partners and client-facing managers are required to maintain a record of their financial interests in the GIS along with the financial interests of their spouses, spousal equivalents and dependents. The GIS monitors compliance with the financial interest policies by comparing financial interests recorded in the system with a regularly updated list of restricted entities. Individuals and their compliance officer are notified by the system in the event a recorded financial interest is in a restricted entity. The GIS provides a mechanism to assist the individual in determining whether it is appropriate to hold the financial interest based on the facts and circumstances.

GIS compliance monitoring is performed at both the member firm and global levels.

### Relationship checking

Member firms and professional people from all service lines are required to maintain their objectivity when delivering services to clients. It is essential to identify any existing client, vendor or business relationships with a prospective client or its affiliate prior to accepting appointment.

Policies and procedures at the member firm and global levels are designed to identify existing relationships. These processes also include requirements for appropriate consultation when relationships are identified, prior to accepting new assignments.

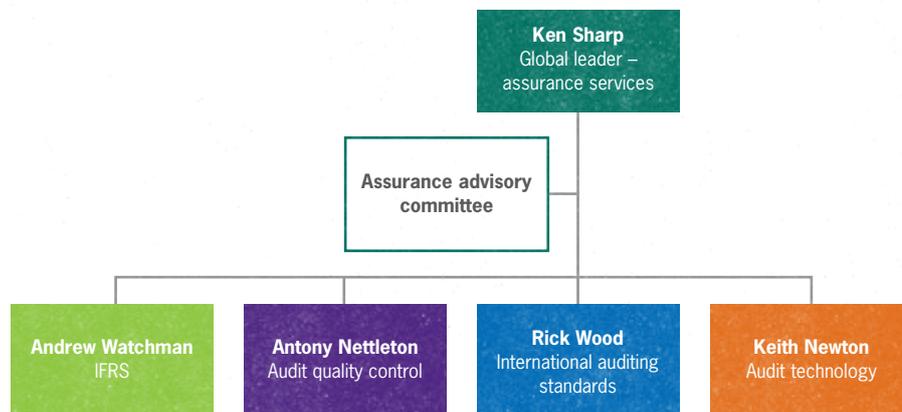
### Complaints policy

The global complaints policy sets out the framework that is used to investigate and resolve issues relating to the conduct of member firms and their compliance with global policies. Member firms are encouraged to take action to remedy issues and are supported with a number of resources to do so. There is a process to escalate matters to the Member Firm Matters Committee and, if necessary, the Board, where additional sanctions are needed. This may ultimately include expulsion of a member firm.

# Audit quality

Grant Thornton views audit quality as an essential element of our business. To that end, global resources are provided to assist member firms in maintaining audit quality, including:

- an audit methodology, with supporting state-of-the-art software, that is used globally
- policies and procedures contained in audit manuals that are benchmarked against international auditing, quality control, independence and ethics standards
- protocols that enable member firms to consult with the global auditing standards team and, if necessary, with audit specialists in other member firms
- protocols that enable member firms to consult with our International Financial Reporting Standards (IFRS) help desk
- a comprehensive intranet service that includes up to date information for member firms on auditing, financial reporting, ethics and independence standards and guidance on applying them effectively.



Grant Thornton actively participates in the international financial reporting, auditing, ethics and quality control standards-setting processes.

Responsibility for the global assurance strategy rests with the global leader – assurance services. An advisory committee supports the global leader with strategy development and implementation. The committee is composed of the heads of assurance from fourteen member firms, chosen for their geographic and/or demographic position in our chosen markets. Committee members possess the knowledge, experience and authority required to effectively develop and implement the strategy.

In implementing the strategy the global leader is also supported by assurance functional leaders for international financial reporting standards; international auditing standards; audit technology; and audit quality control. Each functional leader is supported by advisory committees and team members comprised of member firm partners and managers who excel in these specific areas.

Grant Thornton actively participates in the international financial reporting, auditing, ethics and quality control standards-setting processes. The people participating in these processes provide insight and support to all of our assurance personnel. This interaction provides information used in the development of our strategy, methodologies, training and risk management processes.

The following diagram illustrates how the teamwork between member firms and the global assurance function enables our member firms to deliver high quality audits.



Grant Thornton actively participates in the international financial reporting, auditing, ethics and quality control standards-setting processes.

### Client acceptance/continuance

Achieving professional excellence means accepting and retaining member firm clients that share Grant Thornton's objectives of quality and integrity. Global client acceptance/continuance procedures integrate with those at the member firms. The acceptance/continuance processes provide member firms with information to judge whether the entity meets or exceeds necessary standards of integrity and whether the member firm has the capacity to perform a high quality audit.

GTIL establishes criteria that member firms use to evaluate potential assurance assignments. Member firms submit potential assignments that meet these criteria to an international review committee which considers whether the proposed assignment represents an acceptable risk to the global organisation. This committee is chaired by a senior member of the global risk management or audit quality control functions and is comprised of risk management/quality control partners from a diverse group of member firms.

### Global audit methodology and technology

Grant Thornton's global audit methodology provides member firm audit teams with a clear and direct link between the financial reporting risks they identify, their evaluation of the internal controls established by the entity that address the identified risks and the audit procedures they perform that directly respond to the identified risks. This approach enables audit teams to judge how the current environment impacts an entity's financial reporting, how the entity responded, and enables the team to design the appropriate audit response. The global audit methodology includes integrated quality control processes including, for example, policies and procedures for engagement quality control review.

Grant Thornton applies the global audit methodology using the Voyager suite: an integrated set of proprietary software tools.

The suite currently includes:

- **Voyager** – a tool for assisting audit teams in the identification of financial statement risks and linkage to the processes and internal controls established to address those risks. Voyager also assists audit teams in documenting, evaluating and testing internal controls and designing an appropriate substantive response.
- **TBeam** – a trial balance and workpaper generation tool that is fully integrated with Voyager, allowing audit teams to automatically update lead sheets for changes to the trial balance, perform analytical procedures, evaluate misstatements and create standard and custom workpapers.
- **Voyager Information System (VIS) Tracking** – an application that provides member firms with the ability to view information about their assurance clients contained in Voyager files; manage and monitor concurring review policies; control and monitor the archiving process for annual and interim periods; and control the storage and protection of archived Voyager files.
- **Client acceptance** – an application that enforces policies and procedures that each member firm must adopt to accept a new assurance engagement.
- **Consultation** – an application that enables member firm audit teams to document consultations with firm experts on accounting, ethical and auditing matters.

Grant Thornton continuously evaluates its audit methodology and software applications and provides updated versions annually. Similarly, Grant Thornton continuously evaluates opportunities to expand the Voyager suite with new applications to improve the quality of audits as well as efficiency and effectiveness.

### Global IFRS resources

A full time global IFRS team is responsible for promoting high quality, consistent application of IFRS throughout the global organisation. The IFRS team is advised and supported by member firm IFRS experts, including an IFRS interpretations group and a financial instruments working group.

The IFRS team promotes consistency throughout the world by

- offering training programmes and e-learning updates
- operating an IFRS helpdesk service and
- publishing extensive technical and interpretive guidance, newsletters and other tools and resources.

These materials, along with IFRS developments, are communicated via a network of designated IFRS champions in member firms. As a core skill, IFRS is integral to the Grant Thornton Audit Review process (discussed below). Any issues concerning IFRS are reviewed to determine if training or additional guidance is necessary.

Grant Thornton also contributes actively to the development of IFRS. This includes the submission of global comment letters on proposals for new and amended standards, participation in roundtables and other events and membership of the IFRS Interpretations Committee, the IFRS Advisory Council, the Impairment Transition Group, and the IFRS for SMEs Implementation Group.

### Audit quality monitoring

A key component of our global strategy is to promote the delivery of consistent, high quality client service worldwide. To support this objective, a dedicated quality monitoring programme was developed to support the assurance practices of the member firms. This global monitoring programme utilises the Sentinel software application and focuses on the six elements of ISQC 1. Under this

programme, member firms are provided with feedback on the design, implementation and operation of their assurance practice quality control systems.

### National quality control systems

In addition to their own national quality control procedures, member firms are required to abide by a system of quality control that encompasses, at a minimum, the standards issued by the standard setting boards of the International Federation of Accountants, including:

- **International Standard on Quality Control 1: Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements**
- **International Standard on Auditing 220: Quality Control for Audits of Historical Financial Information**
- IESBA Code of Ethics for Professional Accountants.

Each member firm's system of quality control is designed to provide national management with reasonable assurance that audit engagements are conducted in accordance with applicable professional standards and global policies and procedures.

Member firms are required to have an effective internal inspection programme in place that meets the requirements of ISQC 1. Member firms are provided with templates to assist them in adopting their internal quality control inspection. These templates includes guidelines, work programmes, forms and examples of reports, all of which have been benchmarked to ISQC 1. In addition, member firms that have adopted the VIS platform have the ability to utilise the Sentinel tool for monitoring of their own audit quality.

### Grant Thornton Audit Review

Each member firm is obligated to submit to an inspection of its quality monitoring system, referred to as the Grant Thornton audit review (GTAR), which are typically conducted once every three years. The GTAR process is designed to monitor member firm compliance with professional standards and the global audit policies and procedures. The GTAR is conducted by independent and suitably qualified partners and managers from other member firms under the overall direction of the global audit quality control leader.

GTAR inspection team members utilise Sentinel, a proprietary software application, to record and track individual findings and root causes. Member firms can also utilise this software for their own internal quality reviews. Member firm management are provided with all of the individual findings and root causes identified during the GTAR. This enables the reports to focus on overall conclusions. This approach also provides an effective way of communicating the detailed GTAR findings and results to member firm management.

GTAR inspection teams review the conduct of audit work performed by each member firm. The inspection process includes an evaluation of policies and procedures of the member firm applicable to its assurance practice, benchmarking those policies and procedures against relevant policies and procedures of the international organisation. The inspection team reviews financial statements, audit reports and engagement work papers and files. The inspection team also interviews partners and staff on various matters.

The GTAR inspection team members assess whether a firm's system of quality control is designed, implemented and operated to provide the member firm with reasonable assurance that the member firm and its people comply with professional standards and applicable legal and regulatory requirements; and that the assurance reports issued by the member firm are appropriate in the circumstances. These include leadership responsibilities for quality, ethics and independence, client acceptance and continuance, human resources, engagement performance and monitoring. The inspection team, as part of evaluating engagement performance, also reviews a sample of assurance engagements.

Upon the conclusion of each GTAR, the global organisation issues a report based on the inspection findings. The report on a firm's quality control system will report one of the following:

- suitably designed and operating effectively (an unqualified report)
- suitably designed and operating effectively except for one or more significant deficiencies, (an except for report)
- having material weaknesses in the design or operation of the quality control system, (an adverse report).

When the GTAR identifies a deficiency, the member firm is expected to address the deficiency and document their action plan to address the findings within a reasonable period of time and submit appropriate documentation. When follow-up actions are required by member firms to address findings identified during the GTAR, a further visit or remote assessment is made to review progress in implementing these actions.

### Synthesising and evaluating programme results

There is a regular review of findings and root causes from the GTAR programme by the global leadership of assurance to consider whether there are any changes that should be made to training, audit methodology, tools or internal standards and guidelines regarding quality controls. A summary of the key findings from the GTAR programme is communicated to all member firms on an annual basis.

### Remedial actions

One of our principal responsibilities is the setting and maintenance of standards for continued membership in Grant Thornton. These standards include compliance with professional, statutory and regulatory mandates governing the performance of assurance engagements. There are global policies for remediating violations and deficiencies identified in a GTAR or through other means. The type of remedial action will depend on the nature, severity and frequency of the violation or deficiency.

### Transparent reporting

The GTAR programme is a key component of our system of quality control and provides information for member firms relying on the quality work of other member firms. To provide such information, the first part of the GTAR report, which sets out the overall opinion and includes a description of any significant deficiencies or material weaknesses in the member firm's system of quality control, is available to designated representatives of member firms via the global intranet site.

### Engagement with regulators

Member firms are expected to maintain an open and constructive relationship with their national regulators. This expectation is consistent with our global policy of embracing external oversight, along with our support of a balanced public reporting of external inspection programmes. As a major international professional services organisation, Grant Thornton meets several times each year with the International Forum of Independent Audit Regulators (IFIAR) and contributes regularly to the public debate on major industry issues.



*“The GTAR is conducted by independent and suitably qualified partners and managers from other member firms under the overall direction of the global audit quality control leader.”*

# Tax services

The last year has seen a continued focus globally on ‘acceptable’ and ‘fair’ tax practices that challenges whether simply following the law – rather than the spirit behind the law – is the correct approach going forward. This debate has been part of discussions at the G20, a significant topic in many political debates, in board rooms and a rich source of commentary in the media around the world.

The topic has coincided with concern about whether the new digital economy will erode the tax base in certain countries unless global action is taken to prevent a revenue flow to cheaper tax jurisdictions. Many of the concerned countries are also still tackling the economic fallout from the financial crisis. It is in this arena of debate and calls for change that any tax practice has to operate, with both a close regard to the existing rules but also considering and contributing to the debate on the future.

The Organisation for Economic Co-operation and Development (OECD) has recently focused its efforts on base erosion and profit shifting (BEPS) projects, presenting a 15 point action plan which calls for the development of tools that countries can use to shape ‘fair, effective and efficient tax systems’. Its proposals have been given additional weight by the strong backing from the G20 Finance Ministers. Grant Thornton is making a full contribution to the OECD’s BEPS project by being actively involved in the OECD consultation process and sharing our comments with our clients and communities online.

We have included information in this transparency report about how we seek to ensure that member firms deliver tax services of the highest quality.

## **Tax training**

Member firms must be committed to delivering the highest quality service in each and every tax engagement. In the delivery and execution of an engagement, each member firm must also be committed to manage risk and maintain quality control over all aspects from the request for proposal to documentation retention long after completion.

The responsibilities and obligations of each member firm, with respect to tax engagements, require a strong commitment to the continuing professional education of each of its tax professionals. Continuing professional education for tax professionals within each member firm must be in depth with respect to all of the areas of the tax practice which includes deep technical training for general tax practitioners as well as tax specialists.

In addition to the continuing professional education at the member firm level, additional technical tax training is offered for six areas of tax specialisation frequently encountered on international tax engagements. These are:

- direct international tax
- indirect international tax
- transfer pricing
- expatriate taxation
- private client services taxation
- accounting for income taxes and tax contingencies.

Tax professionals undertake training to build depth and breadth in technical capabilities in these specialist service line areas and each of the service lines will have training on a multi-level, progressive basis.

Furthermore, courses focusing on building strong tax practices and effectively managing tax risk are also regularly offered.

In 2014, 26 tax training courses were delivered by Grant Thornton to professionals from member firms. Online training modules are also available for member firms to use locally.

### Grant Thornton Tax Review

Each member firm must submit to a periodic Grant Thornton tax review (GTTR). The GTTR is a substantive audit of the procedures, processes and work performed by a member firm's tax practice. The purpose of the review is to ensure that all member firms provide the highest quality tax services, meeting global standards for quality control, staff education and supervision. The GTTR is conducted by global tax services people, as well as independent and suitably qualified partners and managers from other member firms.

A global tax services manual (TSM) summarises the key requirements that all member firms must meet when providing tax services; separately, the manual also details recommended policies and procedures for domestic and cross-border assignments, including overarching principles which guide every tax practice. The GTTR evaluates a firm against the standards set forth in the TSM as well as those set forth by the International Federation of Accountants (IFAC). Any improvements required in a member firm's approach are identified and shared with member firm management, GTIL management and the enterprise risk committee (ERC). Work plans are then developed with the member firm to help them address the issues.

# Advisory services

Advisory services form a growing part of Grant Thornton's business, with an increasing range and depth of services being offered each year. The increase in range of services offered requires a multi-faceted approach to quality, including the active promotion of standard methodologies through service line and industry groups, training and firm reviews, as well as improving the connectivity between firms.

## **Authorisation and review**

Member firms must first apply for authorisation to offer a particular advisory service. This application process includes the submission of evidence of relevant experience, a commitment to training, and the adoption of Grant Thornton's advisory risk management and quality control processes. All firms authorised to deliver advisory services are subject to periodic review once every three years.

## **Methodologies & technical support**

Certain advisory services are supported by global methodologies and software packages, including business risk services, transaction advisory services, and forensic services. All service lines are supported by global technical support managers and steering committees to ensure that quality control processes continue to be appropriate. Regional training academies and e-Learning resources help advisory professionals develop and maintain capabilities.

# Financial information

The combined global revenues of Grant Thornton member firms for the year end 30 September 2014 were US\$4.7 billion, a 4.6% increase from 2013. When measuring this growth on a local currency basis our revenues increased 4.9%. During the same period our total global personnel grew by 4.3% to 40,197.

Assurance services revenues grew 3.5% to US\$2.0 billion and accounted for 42.9% of combined global revenues. Revenues from advisory services grew by 4.8% generating US\$1.4 billion and 29.0% of global revenues. Tax services

at US\$949.7 million were up 2.7% from 2013 and accounted for 20.1% of combined global revenues. Outsourcing grew by 12.4% to US\$290.5 million and 6.1% of global revenues; followed by other services at US\$88.4 million and 1.9% of combined global revenues.

Part of this growth was the result of mergers and acquisitions, including ten new member firms in Afghanistan, British Virgin Islands, Cambodia, Cayman Islands, Lichtenstein, Myanmar, Pakistan, Russia, Tunisia and Vietnam.

## Global combined revenues for the year ending 30 September 2014

Region	2014 total revenue (US\$m)	% of 2014 global revenues	2013 total revenue (US\$m)	% growth
Africa	111	3%	105 <sup>1</sup>	6%
Americas	2,096	44%	2,040	3%
Asia Pacific	424	9%	393	8%
Europe	1,858	39%	1,735 <sup>1</sup>	7%
Oceania	240	5%	246 <sup>1</sup>	-3%
<b>Total revenue</b>	<b>4,729</b>	<b>100%</b>	<b>4,519</b>	<b>5%</b>

Service line	2014 total revenue (US\$m)	% of 2014 global revenues	2013 total revenue (US\$m)	% growth
Assurance	2,027	43%	1,958	4%
Tax	950	20%	925	3%
Advisory	1,373	29%	1,311	5%
Outsourcing	291	6%	258	12%
Other	88	2%	67	32%
<b>Total revenue</b>	<b>4,729</b>	<b>100%</b>	<b>4,519</b>	<b>5%</b>

<sup>1</sup> The geographic breakdown of 2013 revenues has been restated to reflect the reclassification of some countries.

# About Grant Thornton

Grant Thornton has been the hallmark of quality service for over 100 years. We have more than 40,000 Grant Thornton people in 130 countries, working with privately owned, publicly listed and public sector clients each day. Our strong global organisation, combined with our understanding of both the local market and dynamic economies across the world means Grant Thornton can support you no matter where you choose to do business.

Visit [www.GrantThornton.global](http://www.GrantThornton.global) to find out how Grant Thornton firms can assist you.

## Ed Nusbaum

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