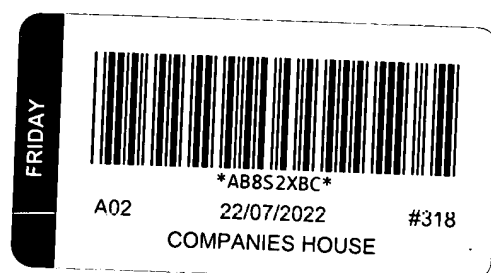


Grant Thornton International Limited
(a company limited by guarantee)

**Annual report and audited consolidated
financial statements**

for the year ended 31 December 2021

Registered number: 05523714



Company Information

Directors	P Bodin M Brizuela R Dambo D Dunckley M Geh A Johnson J Ladner (appointed 1 January 2022) H Li D Lichtenstein M McAteer N Ogwo (appointed 1 January 2021) B Preber V Sekese J Sprieser S Yamada
Company secretary	D Lichtenstein
Registered number	05523714
Registered office	20 Fenchurch Street London EC3M 3BY
Bankers	Barclays Bank plc. PO Box 46116 London EC4N 8WB

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Directors' report

for the year ended 31 December 2021

The directors present their annual report together with the financial statements of Grant Thornton International Limited ('GTIL') and its subsidiary Grant Thornton International IP Limited, together known as 'the group' for the year ended 31 December 2021.

Results

The profit for the year, after taxation, amounted to \$7,467,254 (2020 -\$4,857,808).

Directors

The directors who served during the year were:

P Bodin
M Brizuela
V Chandiok (resigned 31 December 2021)
R Dambo
D Dunckley
M Geh
E Imbriglio (resigned 31 December 2021)
A Johnson
A Knox (resigned 28 June 2021)
H Li
D Lichtenstein
M McAteer
N Ogwo (appointed 1 January 2021)
B Preber
V Sekese
J Sprieser
S Yamada

Directors' report (continued)

for the year ended 31 December 2021

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Qualifying third party indemnity provisions

A qualifying third party indemnity provision was in force for the benefit of the directors of the company at the time when this report was approved.

Matters covered in the strategic report

The company has chosen in accordance with s414C(11) Companies Act 2006 to set out in the company's Strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the Directors' report. It has done so in respect of discussion of future developments and of the company's business relationships with suppliers, member firms and other stakeholders.

Directors' report (continued)

for the year ended 31 December 2021

Greenhouse gas emissions, energy consumption and energy efficiency action

The Group's greenhouse gas emissions and energy consumption for the year ended 31 December 2021 are as follows:

	2021	2020
Annual energy consumption breakdown (kWh)		
- Gas	99,079	77,835
- Electricity	83,639	115,455
Total annual energy consumption (kWh)	182,718	193,290
Scope 1 emissions in metric tonnes CO ₂ e		
- Gas	18.15	14.31
Scope 2 emissions in metric tonnes CO ₂ e		
- Electricity	17.76	26.92
Total emissions in metric tonnes CO₂e	35.91	41.23
Intensity ratio tonnes CO₂e / \$100,000 turnover	0.0584	0.0698

Qualification and reporting methodology

The Group has followed the 2019 HM Government Environmental Reporting Guidelines and used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

Given the operational activities of the Group the chosen intensity measurement ratio is linked to financial activity in terms of per \$100,000 turnover.

Measures taken to improve energy efficiency

The Group has invested in low energy and motion sensitive lighting throughout its office and has renewable energy contracts in place.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the Group's auditors are aware of that information.

This report was approved by the board on 22 June 2022

and signed on its behalf.



P Bodin
Director

Group strategic report

for the year ended 31 December 2021

Principal activities

Grant Thornton International Ltd (referred to as GTIL or the Company) is the coordinating entity for the Grant Thornton network of more than 130 independently owned and managed professional services firms in over 140 countries (referred to as "member firms"). Professional services are delivered by Grant Thornton member firms around the world, not by GTIL, and membership in the global network does not make any firm responsible for the services or activities of other member firms or of GTIL. GTIL and the member firms are not a global partnership. Member firms use the Grant Thornton name, either exclusively or as part of their national practice names.

As the coordinating entity for the network, GTIL's role is to convene the member firms by performing activities that add value to the network through safeguarding, shaping and servicing activities. Safeguarding activities protect the network and mitigate risk and include setting quality and risk standards. Shaping activities are designed to promote collaboration within the network to deliver strategic priorities. Servicing activities are designed to generate cost savings for member firms and improve standardisation and include certain coordinated procurement of services.

Future developments

In 2021, GTIL launched the "Go Beyond" 2025 network strategy, with a vision to become "the most valued network in the profession" by 2025. The network strategy has two strategic themes, to grow the network and protect the network, with the strategy build around three strategic objectives:

- Strategic capabilities
- Risk management & quality
- Culture

The outcome of the network strategy is sustainable growth, which is defined as strategic, high quality, profitable growth by member firms.

Business review

The combined global revenues of Grant Thornton member firms for the year end 30 September 2021 were US\$6.6 billion, a 14.3% increase from 2020. During the same period, the total combined member firm personnel grew by 7% to 62,305 people across the world. Assurance services made up 41% of total revenue (US\$2.7 billion, +16.1%). Tax services accounted for 20.7% of total revenue (US\$1.4 billion, +8.6%) and Advisory services, made up 36.5% of total revenues (US\$2.4 billion, +15.5%). Other services accounted for 1.8% of total revenues at US\$117 million.

The Americas remain the network's largest market with combined member firm revenues of US\$2.9 billion made up from 35 countries and 18,519 people. This is closely followed by EMEA at US\$2.5 billion from 82 countries and 23,538 people. The APAC region accounts for US\$1.2 billion from 18 countries and 20,248 people.

Group strategic report (continued)

for the year ended 31 December 2021

Global combined revenues for the year ended 30 September 2021 v 2020

Region	2021 total revenue (US\$m)	% of 2021 global revenues	2020 total revenue (US\$m)	% growth in USD
Americas	2,874	43.7%	2,619	9.7%
Asia Pacific	1,194	18.1%	1,032	15.8%
EMEA	2,510	38.2%	2,107	19.1%
Total revenue	\$6,578	100%	\$5,757	14.3%

Service line	2021 total revenue (US\$m)	2020 total revenue (US\$m)	% Change 2021 v 2020	% of 2021 revenues
Advisory	2,398	2,075	15.5%	36.5%
Assurance	2,699	2,324	16.1%	41.0%
Tax	1,364	1,256	8.6%	20.7%
Other	117	101	15.5%	1.8%
Total revenue	\$6,578	\$5,757	14.3%	100%

Principal risks and uncertainties

The principal risks and uncertainties facing GTIL are financial risks. The directors consider the significant risks which they believe are facing the Company, identify appropriate controls and, if necessary, instigate actions to improve these controls. The Enterprise Risk Management Committee ('ERMC') has oversight responsibility for ensuring an appropriate enterprise risk management framework is maintained for GTIL and its member firms and that risks are identified, monitored, and managed. The ERMC ensures that the Board receives periodic reports on risk exposure and subsequent actions.

Credit risk

GTIL does not have any borrowings or mortgages with external parties and as a result, credit risk is not applicable.

Foreign currency risk

Since January 2010, the annual contributions for member firms have been billed in local currencies, unless otherwise requested by the member firm. This moved the currency risk from member firms to GTIL. In 2021, 59% of total contributions were not billed in USD and were therefore open to foreign currency risk for GTIL. In total, GTIL received payments from member firms in 30 different currencies. To mitigate the foreign currency risk, GTIL focused on member firm collections within the 30-day window, which minimised any exchange rate fluctuations from the time of invoicing to the time of receipt.

Group strategic report (continued)

for the year ended 31 December 2021

Section 172(1) statement

This section serves as our section 172 statement. Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making.

The directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term
- the interests of the Company's employees
- the need to foster the Company's business relationships with suppliers, customers and others
- the impact of the Company's operations on the community and the environment
- the desirability of the Company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the Company.

Directors duties

Induction materials provided on appointment of a Director include an explanation of directors' duties. Directors are also reminded of their obligations from time to time.

Members of the Company

GTIL is a company limited by guarantee and has members rather than shareholders. Its members are professional services firms which form the Grant Thornton network (the member firms). The Board exercises governance over GTIL and comprises the chair of the Board; the chief executive officer of GTIL (CEO); managing partners from the largest Grant Thornton member firms; managing partners elected or appointed from other Grant Thornton member firms that are not amongst the largest; and independent Board members. The Board aims for a reasonable balance of diversity and representation from different geographical areas, including emerging markets. More details on these governance arrangements are included in GTIL's annual transparency report.

People and culture

We want the GTIL employees and secondees (e.g., those individuals working on behalf of GTIL) to feel valued and supported in performing their roles. In addition to fostering a positive culture, we provide relevant training, access to wellbeing resources, a system of regular feedback, mentoring and company engagement programmes. We have adapted these areas in light of the pandemic. We place our CLEAR values at the heart of everything we do:

- We unite through global COLLABORATION.
- We demonstrate LEADERSHIP in all we do.
- We promote a consistent culture of EXCELLENCE.
- We act with AGILITY.
- We ensure deep RESPECT for people.
- We take RESPONSIBILITY for our actions.

Business relationships, community and environment

We are committed to fostering our business relationships with suppliers, member firms (who are in effect GTIL's customers) and other stakeholders. We also recognise that GTIL and the network of member firms have a responsibility to their communities and the environment. In 2020, we conducted our first global impact review to demonstrate our commitment to transparency and explore the impact of the Grant Thornton network across the world. In 2021 Grant Thornton signed the GFANZ commitment (Glasgow Financial Alliance for Net Zero) which commits GTIL and the network to achieve net zero by 2050.

Group strategic report (continued)

for the year ended 31 December 2021

High standards of business conduct

GTIL's business operates in an ethical and responsible way. Our culture is at the heart of how we "get things done" and we understand the importance of leaders setting, communicating and challenging the Company's culture.

COVID-19 statement

The directors have considered the impact of the COVID-19 pandemic on the Company's operations, with a particular focus on its effect on our member firms, our suppliers and our employees.

The directors do not consider this to be cause for material uncertainty in respect of the Company's ability to continue as a going concern. The Company has adapted well, successfully employing contingency plans, and we consider that the Company has sufficient cash resources to continue for the foreseeable future, despite the continuing crisis, which is being monitored on a regular basis.

This report was approved by the board on 22 June 2022

and signed on its behalf by:



P Bodin
Director

Buzzacott

Independent auditor's report to the members, as a body, of Grant Thornton International Limited

for the year ended 31 December 2021

Opinion

We have audited the financial statements of Grant Thornton International Limited (the 'parent company') and its subsidiary (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of income and retained earnings, the Group and company Statements of financial position, the Group Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Buzzacott

Independent auditor's report to the members, as a body, of Grant Thornton International Limited (continued)

for the year ended 31 December 2021

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members, as a body, of Grant Thornton International Limited (continued)

for the year ended 31 December 2021

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual and suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the company through discussions with directors and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; we considered the impact of COVID-19 on the company and its internal controls;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including Companies Act 2006, employment legislation, and taxation legislation; and
- we considered the impact of Brexit on the company and the laws and regulations above.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations; and
- corroborating our inquiries through our review of board minutes.

Independent auditor's report to the members, as a body, of Grant Thornton International Limited (continued)

for the year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- identified and assessed the design effectiveness of the controls management has in place to prevent and detect fraud;
- determined the susceptibility of the company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process, taking into account the impact of COVID-19 on controls during the period;
- reviewed journal entries throughout the period to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- identified and challenged assumptions and judgements made by management in its significant accounting estimates;
- recalculated expected fees and compared to actual billings in the year to ensure that income is complete; and
- carried out substantive testing, including random samples, to check the occurrence and cut-off of expenditure.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Jonathan West (Senior statutory auditor)

for and on behalf of

Buzzacott LLP

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Date: 22 June 2022

Consolidated statement of income and retained earnings

for the year ended 31 December 2021

	Note	2021 \$	2020 \$
Turnover	4	61,517,533	59,072,078
Gross profit		61,517,533	59,072,078
Administrative expenses		(53,240,938)	(53,383,553)
Other operating income	5	204,631	311,058
Operating profit	6	8,481,226	5,999,583
Interest receivable and similar income	10	2,315	7,247
Profit before tax		8,483,541	6,006,830
Foreign taxation	11	(1,016,287)	(1,149,022)
Profit after tax		7,467,254	4,857,808
Retained earnings at the beginning of the year		14,567,363	9,709,555
		14,567,363	9,709,555
Profit for the year attributable to the owners of the parent		7,467,254	4,857,808
Retained earnings at the end of the year		22,034,617	14,567,363

All amounts relate to continuing operations.

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of income and retained earnings.

The notes on pages 16 to 34 form part of these financial statements.

Consolidated statement of financial position

as at 31 December 2021

	Note	2021 \$	2020 \$
Fixed assets			
Intangible assets	12	2,873,331	3,193,461
Tangible assets	13	505,214	555,429
Investments	14	27,129	27,384
		<u>3,405,674</u>	<u>3,776,274</u>
Current assets			
Debtors: amounts falling due after more than one year	15	-	67,000
Debtors: amounts falling due within one year	15	16,192,411	9,033,852
Cash at bank and in hand	16	20,003,983	24,191,563
		<u>36,196,394</u>	<u>33,292,415</u>
Creditors: amounts falling due within one year	18	(17,267,451)	(22,501,326)
		<u>18,928,943</u>	<u>10,791,089</u>
Net current assets			
		<u>18,928,943</u>	<u>10,791,089</u>
Total assets less current liabilities			
		<u>22,334,617</u>	<u>14,567,363</u>
Provisions for liabilities			
Other provisions		(300,000)	-
		<u>(300,000)</u>	<u>-</u>
Net assets			
		<u>22,034,617</u>	<u>14,567,363</u>
Capital and reserves			
Accumulated funds		22,034,617	14,567,363
		<u>22,034,617</u>	<u>14,567,363</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 June 2022



P Bodin
Director

The notes on pages 16 to 34 form part of these financial statements.

Company statement of financial position

as at 31 December 2021

	Note	2021 \$	2020 \$
Fixed assets			
Intangible assets	12	620,434	940,564
Tangible assets	13	505,214	555,429
Investments	14	5,027,130	5,027,385
		<u>6,152,778</u>	<u>6,523,378</u>
Current assets			
Debtors: amounts falling due after more than one year	15	-	67,000
Debtors: amounts falling due within one year	15	16,179,253	9,652,502
Cash at bank and in hand	16	19,681,628	23,197,957
		<u>35,860,881</u>	<u>32,917,459</u>
Creditors: amounts falling due within one year	18	(15,089,034)	(20,283,466)
Net current assets		<u>20,771,847</u>	<u>12,633,993</u>
Total assets less current liabilities		<u>26,924,625</u>	<u>19,157,371</u>
Provisions for liabilities			
Other provisions		(300,000)	-
		<u>(300,000)</u>	<u>-</u>
Net assets		<u>26,624,625</u>	<u>19,157,371</u>
Capital and reserves			
Accumulated funds brought forward		19,157,371	14,299,563
Profit for the year		7,467,254	4,857,808
Accumulated funds carried forward		26,624,625	19,157,371
		<u>26,624,625</u>	<u>19,157,371</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 June 2022



P Bodin
Director

The notes on pages 16 to 34 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 December 2021

	2021	2020
	\$	\$
Cash flows from operating activities		
Profit for the financial year	7,467,254	4,857,808
Adjustments for:		
Amortisation of intangible assets	320,130	320,130
Depreciation of tangible assets	294,959	410,586
Loss on disposal of tangible assets	1,392	38,421
Exchange movements on investment	255	(792)
Interest received	(2,315)	(7,247)
Taxation charge	1,016,287	1,149,022
Increase in debtors	(7,091,558)	(2,180,109)
(Decrease)/increase in creditors	(6,250,163)	6,163,095
Increase in provisions	300,000	-
Net cash (used)/generated from operating activities	(3,943,759)	10,750,914
Cash flows from investing activities		
Purchase of tangible fixed assets	(246,136)	(27,779)
Interest received	2,315	7,247
Net cash from investing activities	(243,821)	(20,532)
Net (decrease)/increase in cash and cash equivalents	(4,187,580)	10,730,382
Cash and cash equivalents at beginning of year	24,191,563	13,461,181
Cash and cash equivalents at the end of year	20,003,983	24,191,563
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	20,003,983	24,191,563
	20,003,983	24,191,563

The notes on pages 16 to 34 form part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2021

1. General information

Grant Thornton International Limited is a company limited by guarantee incorporated in England and Wales.

The registered office and principal place of business is:
20 Fenchurch Street
London
EC3M 3BY

The registered number is 05523714.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The company has taken advantage of the exemption from preparing a statement of cash flows in its individual financial statements, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statement, includes the company's cash flows.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiary ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

2.3 Turnover

Turnover comprises of amounts receivable from member firms and correspondent firms for services provided in accordance with member and correspondent firm agreements and for training and networking events organised by GTIL. Turnover is billed on a quarterly basis in advance and is based on an agreed income structure or based on a delegate fee per event.

2.4 Other operating income

Other income results from receivables from member firms in relation to the conduct of collaborative technology projects and reimbursement of software license fees.

2.5 Surpluses

Surpluses between 10% and 20% of the cost budget are not redistributed to Grant Thornton member firms. Any such surpluses are to be retained and used for the long term funding of the Grant Thornton network, at the discretion of the Board of Governors.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.6 Going concern

The directors have considered the impact of the COVID-19 pandemic on the group's operations, with a particular focus on its effect on the group's member firms, suppliers, directors and employees.

The directors do not consider this to be cause for material uncertainty in respect of the group's ability to continue as a going concern. The group has adapted well, successfully employing contingency plans, and the directors consider that the group has sufficient financial resources to continue for the foreseeable future, despite the continuing crisis. The financial statements have therefore been prepared on a going concern basis.

2.7 Intangible assets

Intangible fixed assets acquired separately include intellectual property rights in software and name use licensing rights. The intellectual property rights in software are amortised straight line over its useful life of seven years. Assets under construction relate to costs incurred in the development of a new software tool and will be amortised upon the asset becoming ready for use.

Subsequent expenditure to ensure that the software maintains its assessed standard of performance is recognised in the expenditure accounts as it is incurred.

The name-use licensing rights were acquired from Grant Thornton International Inc on 1 July 2007. The name use licensing rights are carried at cost, less amortisation. The name-use licensing rights have been amortised over the maximum possible term of ten years in accordance with FRS 102.

Useful lives are examined on an annual basis and adjustments to recoverable amount are made as appropriate.

Additions to software represent new software in the course of development. Software which is now complete and ready for use is amortised over its useful life of seven years.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 5 years
Office fixtures & fittings	- 5 years
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.9 Operating leases

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Valuation of investments

Investments are measured at cost less accumulated impairment.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.14 Derivative instruments

Forward currency contracts are recognised at fair value using a valuation technique with any gains or losses being reported in profit or loss. Outstanding contracts at the reporting date are included under the appropriate format heading depending on the nature of the derivative.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.16 Foreign currency translation

The company's functional and presentational currency is US Dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the year.

2.17 Pensions

The company contributes to a defined contribution pension scheme through Grant Thornton UK LLP and the pension charge represents the amounts payable by the company to Grant Thornton UK LLP in respect of the year. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.18 Internal projects

Grant Thornton International Limited conducts collaborative technology projects on behalf of the member firms. As the company is acting as the agent with respect to these projects, the costs incurred and recharges to member firms are not shown in the profit or loss for the year. The majority of expenditure on these projects is incurred in the initial years; however, the billings to the member firms and the payments to the main project developers are spread over a larger number of years.

2.19 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.21 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the Group operate and generate income.

2.22 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 7 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based upon historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a risk of causing a significant effect on amounts recognised in the financial statements are:

- Estimated useful life of tangible and intangible fixed assets

The directors review and assess the asset lives and associated residual values periodically and in doing so consider technological innovation, product life cycles, maintenance programmes, disposal values and expected life of group assets.

- Impairment of intangible assets

The Group directors annually review for any internal and external indicators of impairment for all intangible assets including those that are not yet in use. If an indicator triggers an impairment, then impairment losses are recognised in the relevant period.

- Impairment of the investment in Grant Thornton Interational IP Limited ('GTI IP').

GTIL have an investment in GTI IP, which is recognised in the Company statement of financial position. The GTIL directors review the carrying value of the investment in relation to the income billed, ongoing maintenance and operational costs of the audit technology platform.

Notes to the financial statements

for the year ended 31 December 2021

3. Judgements in applying accounting policies (continued)

- Recoverability of debtors

Member firm debtors and loan balances are recognised to the extent that they are judged to be recoverable. The directors review and assess the recoverability of all member firm balances and make provisions specifically against any balances where recoverability is uncertain.

- Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cashflow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

4. Analysis of turnover

The whole of the turnover is attributable to the company's principal activity.

Analysis of turnover by region:

	2021	2020
	\$	\$
APAC	10,231,618	10,067,939
EMEA	23,483,784	21,950,624
Americas	27,802,131	27,053,515
	<u>61,517,533</u>	<u>59,072,078</u>

Income relating to the development of a new audit technology platform (LEAP) of \$11,479,242 (2020 - \$nil) has been included within administrative expenses where the associated expenses have been recorded.

5. Other operating income

	2021	2020
	\$	\$
Other operating income	204,631	311,058
	<u>204,631</u>	<u>311,058</u>

Other operating income comprises amounts relating to centrally coordinated projects that are not linked to the core operations of the GTIL Group.

Notes to the financial statements

for the year ended 31 December 2021

6. Operating profit

The operating profit is stated after charging/(crediting):

	2021	2020
	\$	\$
Operating lease charges	827,332	708,573
Depreciation of tangible fixed assets	294,959	410,592
Loss on disposal of fixed assets	(1,392)	38,421
Amortisation of intangible assets	320,129	320,129
Exchange differences	(71,939)	80,551
	<u> </u>	<u> </u>

7. Auditor's remuneration

	2021	2020
	\$	\$
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	54,632	52,272
Fees payable to the Group's auditor and its associates in respect of:		
Taxation compliance services	10,926	13,530
All other services	4,465	-
	<u> </u>	<u> </u>

Notes to the financial statements

for the year ended 31 December 2021

8. Employees

Staff costs were as follows:

	Group and company 2021 \$	Group and company 2020 \$
Wages and salaries	7,309,902	6,682,395
Social security costs	996,012	906,076
Cost of defined contribution scheme	580,205	592,702
	<u>8,886,119</u>	<u>8,181,173</u>

The costs noted above relate to people under employment contracts with Grant Thornton International Limited only.

Direct staff costs of \$nil (2020: \$90,274), social security costs of \$nil (2020 - \$8,818) and pension costs of \$nil (2020 - \$4,631) were recharged to Grant Thornton International IP Limited during the year and relate to time spent working for this entity.

In addition to the amounts disclosed above, personnel costs of \$20,357,025 (2020 - \$18,957,124) have been charged to Grant Thornton International Limited by Grant Thornton member firms for the secondment of people to Grant Thornton International Limited. Of that amount \$2,187,218 (2020: \$1,805,012) was recharged to Grant Thornton International IP Limited during the year relating to time spent working for this entity.

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Direct employees	<u>52</u>	<u>61</u>

9. Directors' remuneration

During the year, directors' emoluments totalled \$2,935,957 (2020: \$2,400,978).

The highest paid director received remuneration of \$1,690,742 (2020 - \$1,341,216).

Only the Global CEO, Chairperson, Non-executive independent directors and the Company secretary were remunerated through Grant Thornton International Limited.

Notes to the financial statements

for the year ended 31 December 2021

10. Interest receivable

	2021	2020
	\$	\$
Other interest receivable	2,315	7,247
	<u>2,315</u>	<u>7,247</u>
	<u><u>2,315</u></u>	<u><u>7,247</u></u>

11. Taxation

	2021	2020
	\$	\$
Foreign tax		
Foreign tax for the year	1,016,287	1,149,022
	<u>1,016,287</u>	<u>1,149,022</u>
	<u><u>1,016,287</u></u>	<u><u>1,149,022</u></u>
Total current tax	<u><u>1,016,287</u></u>	<u><u>1,149,022</u></u>
Deferred tax		
Total deferred tax	-	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
Taxation on profit on ordinary activities	<u><u>1,016,287</u></u>	<u><u>1,149,022</u></u>

Notes to the financial statements

for the year ended 31 December 2021

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 \$	2020 \$
Profit on ordinary activities before tax	<u>8,483,541</u>	<u>6,006,830</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 -19%)	1,611,873	1,141,298
Effects of:		
Capital allowances for year in excess of depreciation	(3,219)	22,360
Higher rate taxes on overseas earnings	1,016,287	1,149,022
Adjustments to tax charge in respect of prior periods	4,519	4,560
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	(1,590,716)	(1,254,815)
Deferred tax not recognised	(16,097)	88,226
Remeasurement of deferred tax for changes in tax rates	(6,360)	(1,629)
Total tax charge for the year	<u>1,016,287</u>	<u>1,149,022</u>

Factors that may affect future tax charges

On 10 June 2021, the Finance Bill 2021 received Royal Assent. The Bill confirms an increase in the corporation tax rate from 1 April 2023. From this date, the rate will taper from 19% for businesses with profits of less than £50,000 to 25% for businesses with profits over £250,000.

There is no expectation that these factors will impact the Group, provided that the Group's mutual trading status does not change.

Notes to the financial statements

for the year ended 31 December 2021

12. Intangible assets**Group**

	Intellectual property rights in software \$	Name-use licensing rights \$	Assets under construction \$	Total \$
Cost				
At 1 January 2021	4,633,216	733,305	2,252,897	7,619,418
At 31 December 2021	<u>4,633,216</u>	<u>733,305</u>	<u>2,252,897</u>	<u>7,619,418</u>
Amortisation				
At 1 January 2021	3,985,974	439,983	-	4,425,957
Charge for the year	246,799	73,331	-	320,130
At 31 December 2021	<u>4,232,773</u>	<u>513,314</u>	<u>-</u>	<u>4,746,087</u>
Net book value				
At 31 December 2021	<u>400,443</u>	<u>219,991</u>	<u>2,252,897</u>	<u>2,873,331</u>
At 31 December 2020	<u>647,242</u>	<u>293,322</u>	<u>2,252,897</u>	<u>3,193,461</u>

The asset under construction is a quality monitoring tool which is being created by an external development firm for the company's specific requirements. The asset is carried at \$2,252,897 (2020: \$2,252,897). This asset is under development and therefore has not yet been subject to any amortisation.

The intellectual property rights in software includes the company's software which was created by an external development firm for the company's specific requirements. The asset is carried at \$400,443 (2020: \$647,242) and is being amortised over an estimated useful life of seven years.

There are no other individually material intangible assets.

Notes to the financial statements

for the year ended 31 December 2021

12. Intangible assets (continued)**Company**

	Intellectual property rights in software \$	Name-use licensing rights \$	Total \$
Cost			
At 1 January 2021	4,633,216	733,305	5,366,521
At 31 December 2021	<u>4,633,216</u>	<u>733,305</u>	<u>5,366,521</u>
Amortisation			
At 1 January 2021	3,985,974	439,983	4,425,957
Charge for the year	246,799	73,331	320,130
At 31 December 2021	<u>4,232,773</u>	<u>513,314</u>	<u>4,746,087</u>
Net book value			
At 31 December 2021	<u>400,443</u>	<u>219,991</u>	<u>620,434</u>
At 31 December 2020	<u>647,242</u>	<u>293,322</u>	<u>940,564</u>

The intellectual property rights in software includes the company's software which was created by an external development firm for the company's specific requirements. The asset is carried at \$400,443 (2020: \$647,242) and is being amortised over an estimated useful life of seven years.

Notes to the financial statements

for the year ended 31 December 2021

13. Tangible fixed assets**Group and Company**

	Leasehold improvements \$	Fixtures and fittings \$	Computer equipment \$	Total \$
Cost or valuation				
At 1 January 2021	984,876	247,010	500,932	1,732,818
Additions	-	-	246,136	246,136
Disposals	-	-	(117,988)	(117,988)
At 31 December 2021	<u>984,876</u>	<u>247,010</u>	<u>629,080</u>	<u>1,860,966</u>
Depreciation				
At 1 January 2021	579,899	143,568	453,922	1,177,389
Charge for the year	196,974	49,402	48,583	294,959
Disposals	-	-	(116,596)	(116,596)
At 31 December 2021	<u>776,873</u>	<u>192,970</u>	<u>385,909</u>	<u>1,355,752</u>
Net book value				
At 31 December 2021	<u>208,003</u>	<u>54,040</u>	<u>243,171</u>	<u>505,214</u>
At 31 December 2020	<u>404,977</u>	<u>103,442</u>	<u>47,010</u>	<u>555,429</u>

All of the Group's tangible fixed assets are held in the Parent company.

Notes to the financial statements

for the year ended 31 December 2021

14. Fixed asset investments**Group**

	Unlisted investments \$
Cost or valuation	
At 1 January 2021	27,384
Foreign exchange movement	(255)
At 31 December 2021	<u>27,129</u>
Net book value	
At 31 December 2021	<u>27,129</u>
At 31 December 2020	<u>27,384</u>

Company

	Investments in subsidiary companies \$	Unlisted investments \$	Total \$
Cost or valuation			
At 1 January 2021	5,000,001	27,384	5,027,385
Foreign exchange movement	-	(255)	(255)
At 31 December 2021	<u>5,000,001</u>	<u>27,129</u>	<u>5,027,130</u>
Net book value			
At 31 December 2021	<u>5,000,001</u>	<u>27,129</u>	<u>5,027,130</u>
At 31 December 2020	<u>5,000,001</u>	<u>27,384</u>	<u>5,027,385</u>

Notes to the financial statements

for the year ended 31 December 2021

14. Fixed asset investments (continued)

Subsidiary undertaking

The following is a subsidiary undertaking of the company:

Name	Principal activity	Class of shares	Holding
Grant Thornton International IP Limited	Other information technology service activities	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit
	\$	\$
Grant Thornton International IP Limited	409,993	-

Grant Thornton International IP Limited is included in the group's consolidated financial statements. It is exempt from audit by virtue of section 479A of the UK Companies Act 2006.

The registered office of the subsidiary undertaking is 20 Fenchurch Street, London, EC3M 3BY.

Notes to the financial statements

for the year ended 31 December 2021

15. Debtors

	Group 2021 \$	Group 2020 \$	Company 2021 \$	Company 2020 \$
Due after more than one year				
Amounts due from member firms	-	67,000	-	67,000
	<u>-</u>	<u>67,000</u>	<u>-</u>	<u>67,000</u>
	<u>-</u>	<u>67,000</u>	<u>-</u>	<u>67,000</u>
	Group 2021 \$	Group 2020 \$	Company 2021 \$	Company 2020 \$
Due within one year				
Amounts due from member firms	987,457	1,481,106	974,299	1,451,722
Amounts owed by group undertakings	-	-	-	648,034
Other debtors	1,010,695	937,822	1,010,695	937,822
Prepayments and accrued income	14,020,360	6,614,924	14,020,360	6,614,924
Tax recoverable	173,899	-	173,899	-
	<u>16,192,411</u>	<u>9,033,852</u>	<u>16,179,253</u>	<u>9,652,502</u>

16. Cash and cash equivalents

	Group 2021 \$	Group 2020 \$	Company 2021 \$	Company 2020 \$
Cash at bank and in hand	20,003,983	24,191,563	19,681,628	23,197,957
	<u>20,003,983</u>	<u>24,191,563</u>	<u>19,681,628</u>	<u>23,197,957</u>

17. Analysis of net debt

An analysis of changes in net debt has not been presented as all of the entity's cash flows relate to movements in cash, and the entity has no items to include in such an analysis other than the cash flows in the Statement of cash flows.

Notes to the financial statements

for the year ended 31 December 2021

18. Creditors: amounts falling due within one year

	Group 2021 \$	Group 2020 \$	Company 2021 \$	Company 2020 \$
Funds received in advance	-	6,371,424	-	5,385,108
Trade creditors	3,975,847	4,464,397	3,975,847	4,464,397
Amounts owed to group undertakings	-	-	124,025	-
Amounts due to member firms	1,575,626	1,608,153	1,570,906	1,600,560
Other creditors	248,460	275,944	248,460	275,944
Accruals and deferred income	11,467,518	9,781,408	9,169,796	8,557,457
	17,267,451	22,501,326	15,089,034	20,283,466

Included within accruals is an estimate relating to the settlement of an ongoing legal claim. This information has not been disclosed separately as this would be considered prejudicial to the case.

19. Liability of members

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding \$1 towards the assets of the company in the event of liquidation.

20. Financial commitments

Grant Thornton UK LLP (a member firm of the company) made an investment in 2010 in Grant Thornton Advisory Private Limited, another member firm of the company. Under a supplemental agreement to this investment, the company has acted as Grant Thornton Advisory Private Limited's guarantor. The maximum sum guaranteed to Grant Thornton UK LLP by the company was \$500,000 at 31 December 2021 (2020 - \$4,000,000).

Grant Thornton member firms made an investment in 2015 in Grant Thornton Singapore, another member firm of the company. Under a supplemental agreement to this investment, the company has acted as guarantor to the member firm investors. The maximum sum guaranteed to the Grant Thornton member firms was \$3,824,500 (2020 - \$4,274,500).

Notes to the financial statements

for the year ended 31 December 2021

21. Provisions

	Group and company dilapidations provision \$
As at 1 January 2021	-
Charged to profit or loss	300,000
As at 31 March 2021	300,000

The above provision is an estimate of the works required to repair and redecorate the office premises in accordance with the lease, when the lease ends in October 2022.

22. Contingent liabilities

There were no contingent liabilities at 31 December 2021 or 31 December 2020.

23. Commitments under operating leases

At 31 December 2021 the Group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 \$	Group 2020 \$
Not later than 1 year	674,019	814,088
Later than 1 year and not later than 5 years	-	678,406
	<u>674,019</u>	<u>1,492,494</u>

Notes to the financial statements

for the year ended 31 December 2021

24. Related party transactions

Key management personnel

All individuals who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of these individuals is \$9,101,490 (2020: \$6,509,341).

Other related parties

The company has taken advantage of the exemption to disclose related party transactions with Grant Thornton International IP Limited as conferred by FRS 102 paragraph 33.1A 'Related party disclosures' on the basis that it is a wholly owned subsidiary and group accounts are prepared, which include the company.

25. Controlling party

There was no ultimate controlling party throughout the years ended 31 December 2021 and 31 December 2020.