



Financial statements

2023/2024

forv/s
mazars



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Chairman's foreword

Built for what's next



Dear reader,

Throughout 2023/2024, our firm has experienced significant change. With the formation of Forvis Mazars¹ in June 2024, we have created a leading provider of audit & assurance, tax, advisory and consulting services, amplifying our global presence and cementing our status as a high-quality competitor in a concentrated market. With a combined fee income of over \$5 billion, our team now exceeds 40,000 professionals, blending scale, capacity and agility to deliver profound insights and tailored solutions to our clients across more than 100 countries. We are pleased with the very positive response this has generated in the market and proud of our overall performance in 2023/2024.

In this report, we present to you an overview of our Forvis Mazars Group results for the 2023/2024 financial year.

Continued growth in fee income

For the fourth consecutive year, our Group has experienced double-digit growth – an increase of 11.4% like-for-like from last year. This includes organic growth of €282 million, complemented by external growth of €24 million, with forex impacts costing us €15 million. Surpassing the €3 billion mark was an ambitious objective we had set ourselves last year and in 2023/2024 our fee income reached €3,006 million. This is a testament to our strategic vision and

execution. I commend the dedication of our teams and the trust of our clients that have enabled us to reach this milestone.

Growth over the past financial year has been strong across all service lines. Audit & assurance grew 11.8%, making FY23/24 one of the strongest years ever for the segment, driven by increasing demand for assurance across diverse markets. Our outsourcing division performed well with an 8% growth rate, while tax and legal services grew by 12.2%. Our financial advisory, consulting and sustainability practices collectively recorded a robust growth rate of 12.3% in FY23/24, demonstrating resilience amid choppy market conditions. We will continue to invest in our multidisciplinary expertise, a strong differentiator that allows us to continuously secure new business across large and listed companies, as well as privately owned businesses in all industries. This is what is expected by the market, attracts the best talent and ultimately serves the public interest.

Robust results across geographies

Analysing our results by geography, Europe is our largest region, generating close to €2 billion in revenues and growing by 12% organically. Asia Pacific, our second largest region, remains dynamic with 14% organic growth for the second year in a row despite uncertainties in key economies. Central and Eastern Europe has become our third largest region and is

showing an organic growth of 13%. Against a difficult economic situation, the proximity to Ukraine and high inflation, the region is maintaining its profitability overall. Africa is our fourth largest region, up 11%, with significant growth in most territories and in all service lines, confirming the region's huge potential. Latin America achieved a 15% organic growth, even though inflation and social issues remain very challenging for many countries. Finally, the Middle East shows an organic growth of 13%, in defiance of a very difficult political and economic environment, with major international clients served in the region.

Taking a longer-term view, as we look back on the results of our One24 strategy, which we have followed since 2020, the Group's total fee income grew from €1.9 billion in FY19/20 to €3 billion+ in FY23/24, showcasing a remarkable compound annual growth rate of 12.1%. We embark on our next four-year strategic plan – 'Stellar' – with renewed purpose, fresh ambitions and a commitment to making the most of the opportunities ahead for our people, clients and communities.

Investment in the future

We remain focused on investing in innovation and transformation, to improve both our employees' and clients' experience, allowing us to be more productive and centre our attention together on the most critical issues at hand. In recent years we have set up

¹ Forvis Mazars is the brand name for the Forvis Mazars global network, a leading global professional services provider with just two independent members: Forvis Mazars Group SC, an internationally integrated partnership operating in over 100 countries and territories, and Forvis Mazars, LLP in the United States.

Chairman's foreword

Built for what's next

business investment funds to direct our investments towards our strategic priorities, which are yielding positive results.

For instance, investments were made in our business operations along with IT platform, back office and infrastructure improvements. We have continued to upgrade our quality and risk management (QRM) systems, further implementing the International Standard on Quality Management 1 (ISQM1), nurturing our quality culture, and deploying new tools and teams both at Group and regional levels. We also received validation for our emissions reduction targets by the Science Based Targets initiative, reaffirming our commitment to achieving net zero emissions by 2045.

Beyond our own transformation, we regularly contribute to the public debate, participating in discussions on strategic areas such as ESG (environmental, social and governance) and information technology that shape the future of our industry and that of our clients. Consequently, we have been strengthening key services, such as our cyber security and sustainability expertise, to accompany organisations in the face of new regulations.

Built for what's next

In 2025, we have decided to evolve our Group governance framework to allow us to continue to grow our partnership as a distinctive and resilient force in the market. Under our new model, governance, strategy and oversight will be provided by a Group Governing Board (GGB), and a Group Executive Committee (GEC) will lead the day-to-day delivery and implementation of our Group's strategy. Coupled with the expansion of our network, we boast the size, consistency and service quality to continue to move forward and grow, offering clients an unparalleled experience, increased choice and teams that can work across borders to serve international organisations.

As Forvis Mazars forges ahead, with our strategic positioning and unwavering commitment to excellence, we are ready to empower our clients and be empowered ourselves to achieve lasting success in a dynamic and complex global landscape. In the following pages, you will find details regarding our Group-wide achievements and financial performance. Thank you for joining us as we embark on another promising year.



Hervé Hélias
Chairman, Forvis Mazars Group



Reflecting on Forvis Mazars Group's 2023/2024 developments, Tim Hudson, Chairman of the Group Governance Council (GGC) over the reporting period, looks to the future with sustained optimism. As the firm leaps forward into a new chapter, he comments on the increase in opportunities afforded by our growth, the evolution of our governance and key areas that will help shape our progress as we implement our new four-year strategy.

Our strong 2023/2024 financial performance reflects the resilience of our business model. Can the GGC comment on our Group's performance in the past year?

The financial performance leading up to August 2024 reflected a very balanced level of growth in all geographies and service lines. Our continued investment in people and technologies across both assurance and advisory services has supported the double-digit organic growth. In addition, our newest service line, sustainability, has shown rapid growth as the impact of new regulations and legislation comes into force, especially across Europe, with the evolution of the Corporate Sustainability Reporting Directive (CSRD), which first came into effect in 2023. This growth underscores the value and quality of our expertise, which has a meaningful impact on a wide range of clients.

With the launch of our new network – Forvis Mazars – in June, what are the most significant opportunities you foresee and how are we positioning ourselves to seize them?

While the network has only been operational for less than a year, we are already really encouraged by the reaction from our existing clients, as well as the market as a whole. With our enhanced ability to provide unmatched client experience under one single brand across the globe, we have seen a significant number of new opportunities across many sectors and in all geographies. Most notably, our unique market position in the financial services industry could be further expanded in the Africa and Asia Pacific regions. In the short term, our focus is on a number of key sectors, including financial services and life sciences, and as our teams continue to get to know each other, we are seeing the pipeline of activity growing rapidly.

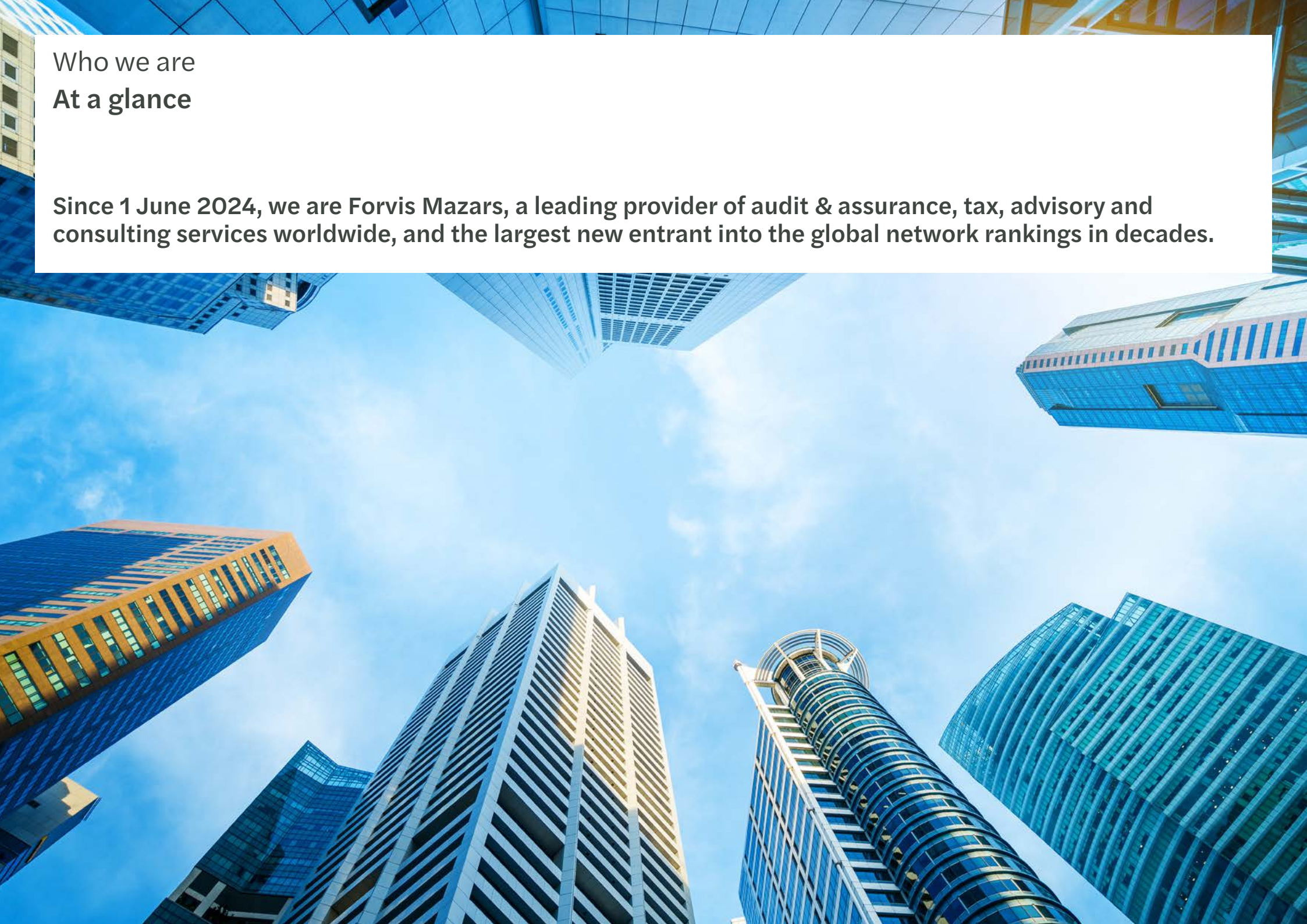
Can you talk us through our recent governance evolutions? How do they support our firm's ability to adapt to a dynamic business environment and grow sustainably?

The new GGB and GEC teams were formally elected in December 2024. These changes involve modernising our governance bodies with two principal aims. First, to provide a clearer distinction between the responsibility for decision-making for key strategic decisions and the responsibility for executing those decisions. Secondly, we wanted to create a structure that allowed the executive leadership, the GEC, to have sufficient time to lead and execute the strategic plan across the Group and deliver the planned growth and transformation. We made these changes to create a more effective and efficient framework while preserving the core partnership values across the Group.

In a rapidly evolving industry, and as we transition from our four-year One24 strategy to a new manifesto, what priorities and challenges will shape the next phase of our growth?

The partners provided overwhelming support in the election of the new executive team that presented their four-year plan in December 2024. This plan, known as 'Stellar', was drawn up after significant consultation and contribution from a diverse set of partners over the last nine months. The result is an evolution of the existing priorities, including renewed focus on the importance of data across many of our activities and further technology transformation, all while maintaining the same relentless focus on providing excellence in everything we do. In addition, we plan to ramp up our investment in talent to help us further expand our service offerings and enhance both our quality and our digital solutions. We embark on this next growth phase of the Group confident that we have made the right strategic choices.





Who we are
At a glance

Since 1 June 2024, we are Forvis Mazars, a leading provider of audit & assurance, tax, advisory and consulting services worldwide, and the largest new entrant into the global network rankings in decades.

Who we are

About our global network



With a global outlook to see the big picture and the local knowledge to understand it, we combine scale, capacity and coverage with agility, deep insight and a personal approach. We are committed to building our clients' confidence to prepare for what's next by putting quality, integrity and technical excellence at the core of what we do.

In numbers²

Top 10

global network³

100+

combined countries and territories

40,000+

combined employees

\$5bn+

combined revenue⁴

400+

combined offices

1,800+

combined partners

² Figures as at 31 August 2024.

³ Based on IAB World Network rankings 2023 and 2023 revenues for Forvis Mazars Group and Forvis Mazars, LLP.

⁴ Forvis Mazars Group \$3,251m + Forvis Mazars, LLP \$1,939m as at 31 August 2024.

Who we are

About our global network



Forvis Mazars is the brand name for the Forvis Mazars global network (Forvis Mazars Global Limited), a leading global professional services network with just two independent members:

- Forvis Mazars Group SC (formerly Mazars Group SC), an internationally integrated partnership operating in over 100 countries and territories, and
- Forvis Mazars, LLP (formerly FORVIS LLP) in the United States.

The network is governed through a structure that includes a Global Network Board, which is chaired by Hervé Hélias (Chairman, Forvis Mazars Group), with Matt Snow (Chairman, Forvis Mazars, LLP) serving as Vice Chair. The Global Network Board is made up of representatives from both members.⁵ The two members remain owned by their respective partnerships and are governed by their own leadership teams and boards.

Forvis Mazars Group SC

Forvis Mazars Group SC (the Group) is a cooperative entity incorporated in Belgium. Since 1995, it has been organised as an internationally integrated partnership, working under one Group Executive Board and sharing the same values, strategy, work ethic and goal of providing the highest quality services to our stakeholders.

The Group operates in over 100 countries and territories through member firms comprised of one or more separate legal entities. Up to 1 June 2024, this included member firms in the United States, which, following the launch of the Forvis Mazars global network, became part of Forvis Mazars, LLP.

All partners are shareholders in their member firm and in the Group.

For more information, visit the [Forvis Mazars Group website](#).

Forvis Mazars, LLP

Forvis Mazars, LLP is ranked among the largest public accounting firms in the United States. The firm's 7,000 dedicated team members provide an Unmatched Client Experience® through the delivery of assurance, tax and consulting services for clients in all 50 states and internationally through the global network.

For more information, visit the [Forvis Mazars, LLP website](#).

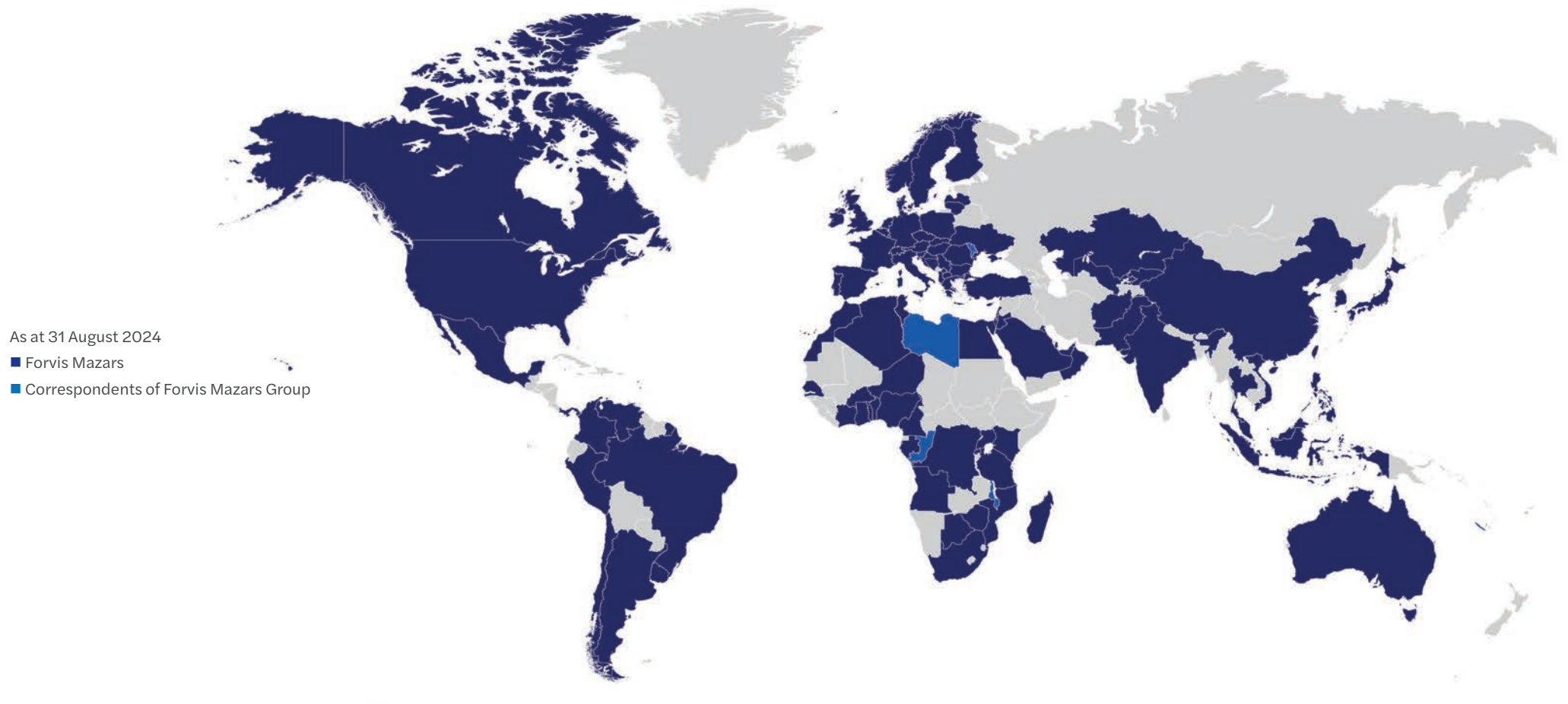
⁵ For more information, see [Our leaders – Forvis Mazars Global](#).

Who we are

Our global footprint



Our 40,000+ strong team is committed to providing a different perspective and delivering an unmatched client experience across the globe, throughout the more than 100 countries and territories where we operate.



Who we are

Forvis Mazars Group in a nutshell



This financial report relates solely to the operations and activities of Forvis Mazars Group, an independent member of Forvis Mazars Global Limited.

The data presented in this report covers the period 1 September 2023 to 31 August 2024.

One international team

We work as one integrated, international team, leveraging our collective expertise, scale and cultural understanding to deliver exceptional, tailored services that help our clients make the most of opportunities, operate with transparency and grow responsibly.

Guided by our values

Our partners and staff are guided by our shared values, which are built upon the foundation set for us by our founder, Robert Mazars, in the 1940s. These shared values guide us in everything we do: how we work with our clients, how we empower our people and the role we play in our communities. We pride ourselves on being a different kind of firm – one that contributes to a fair and prosperous world by caring for the success of our people and clients, the health of financial markets and the integrity of our profession.

Integrity

Responsibility

Diversity and respect

Technical excellence

Independence

Stewardship

Providing a wide range of services

Our organisation is built to deliver robust, nuanced and individual answers for every one of our clients. Our integrated approach is designed to leverage an international talent pool and serve organisations of all sizes. In order to provide our clients with the best, most relevant services, we continually invest in developing strong industry expertise as well as the technological, scientific and soft skills that will shape professional services in the near future.

Our multidisciplinary approach is key to supporting our clients' changing needs and helping them achieve sustainable growth.

- Audit & assurance
- Consulting
- Financial advisory
- Legal
- Outsourcing
- Sustainability
- Tax

Our services

Who we are

Forvis Mazars Group in a nutshell

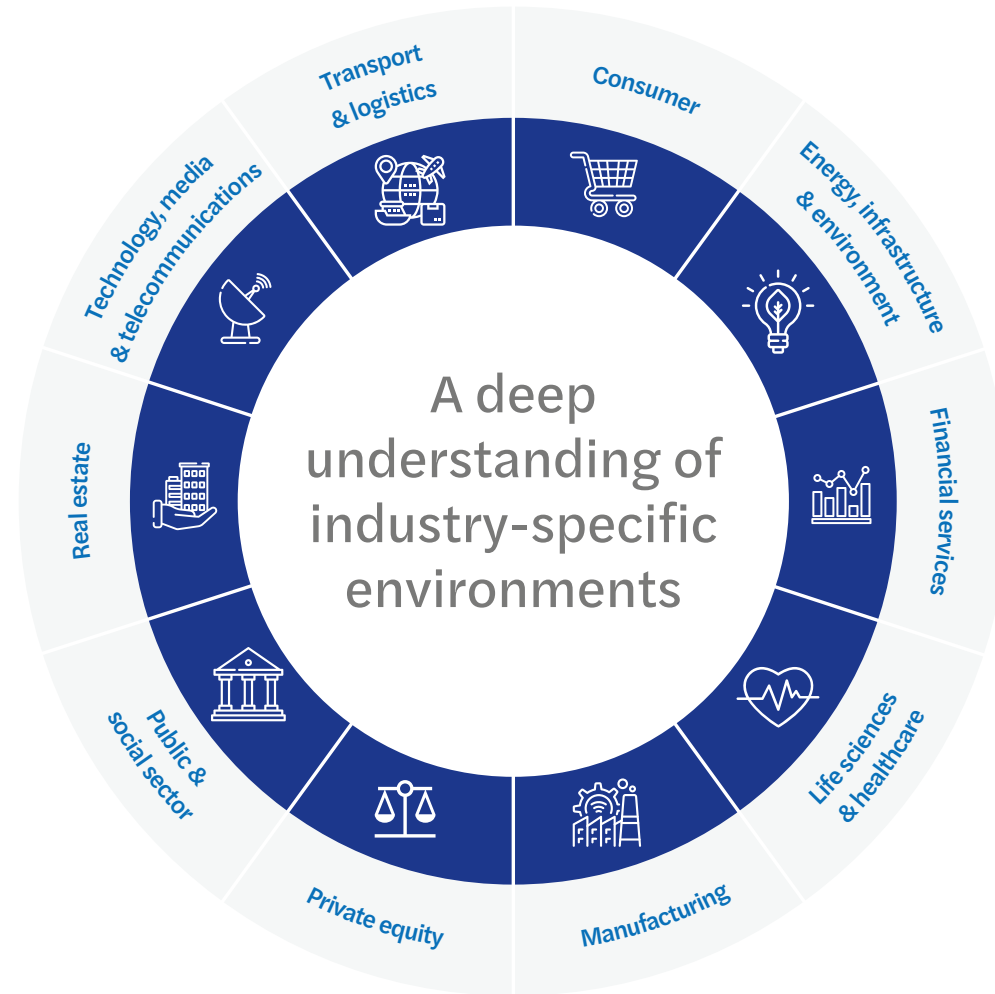


Delivering deep industry expertise

A deep understanding of industry-specific environments, issues and trends is critical to delivering relevant services to our clients, anticipating and addressing evolving needs and capturing opportunities.

We put a strong focus on developing our sectoral expertise through our international industry communities. These bring together our professionals from all corners of the globe, who combine deep knowledge of specific industries and understanding of local contexts and cultures with an international perspective.

Our industries



Who we are

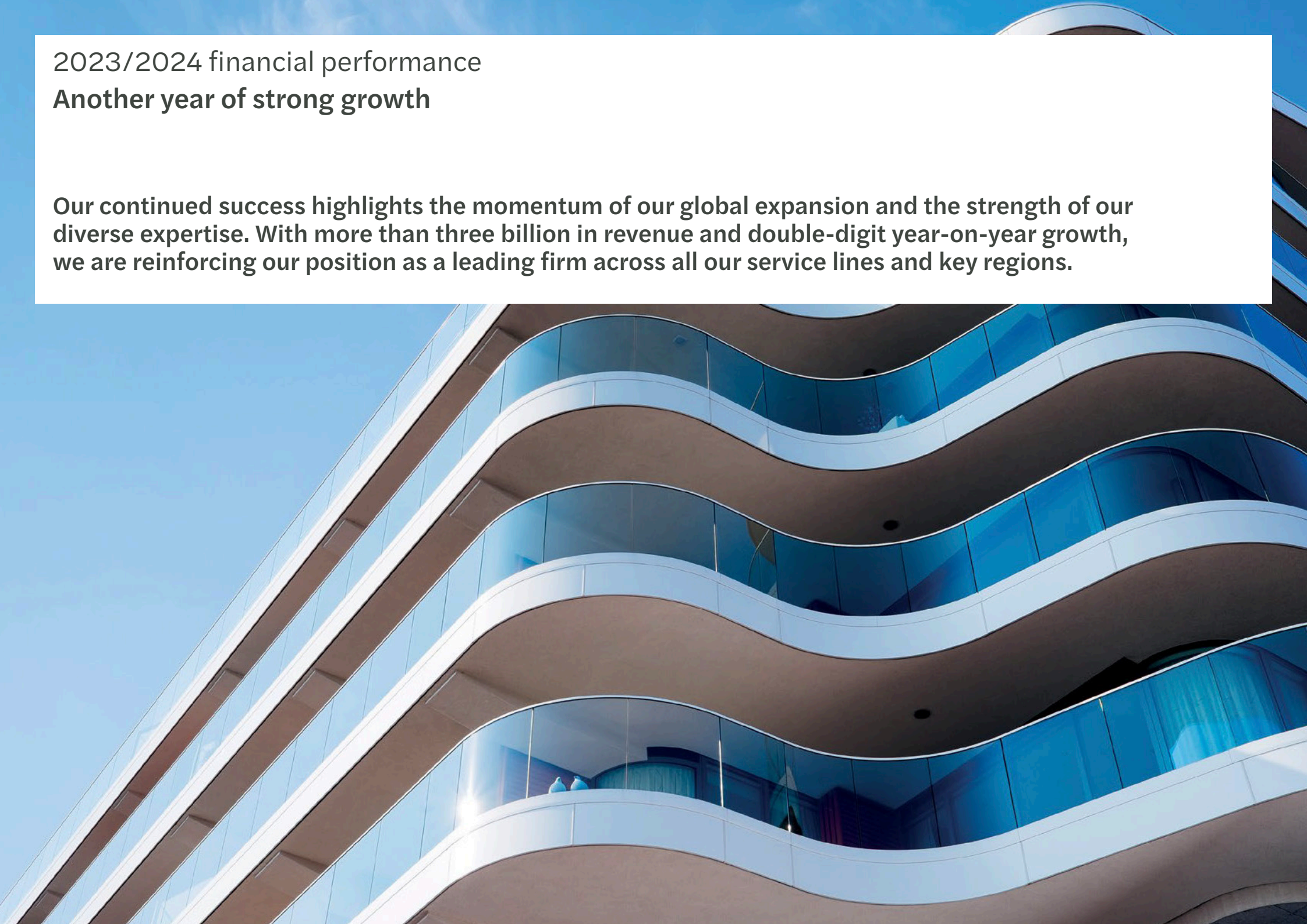
Forvis Mazars Group in a nutshell

Making a positive difference

Long-term thinking, planning and development to create positive change have always been an integral part of who we are. Our history is one of sustainable and inclusive growth driven by continued stewardship and a commitment to serving the general interest by the very nature of what we do. Above all, we want to uphold that long-term perspective and prepare for a seamless transition to future generations of leaders.

Corporate sustainability





2023/2024 financial performance
Another year of strong growth

Our continued success highlights the momentum of our global expansion and the strength of our diverse expertise. With more than three billion in revenue and double-digit year-on-year growth, we are reinforcing our position as a leading firm across all our service lines and key regions.

2023/2024 financial performance

Another year of strong growth



Our 2023/2024 performance confirms the strength of our international growth strategy, as well as the quality and relevance of our multidisciplinary model, as we continue to build our international ambition.

1
international integrated partnership

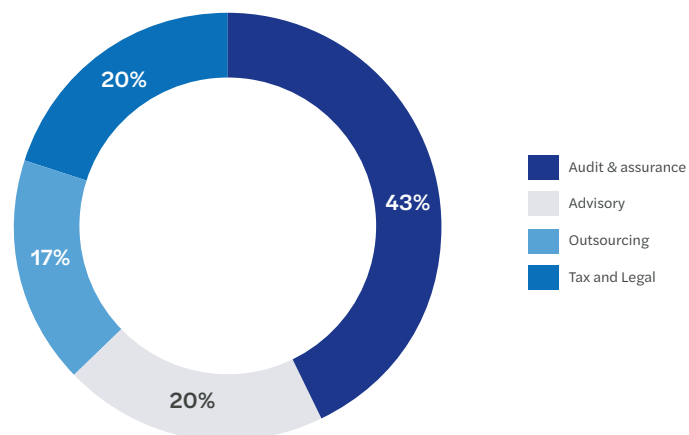
€3bn+
fee income⁶

11.4%
year-on-year growth⁷

1,200+
partners

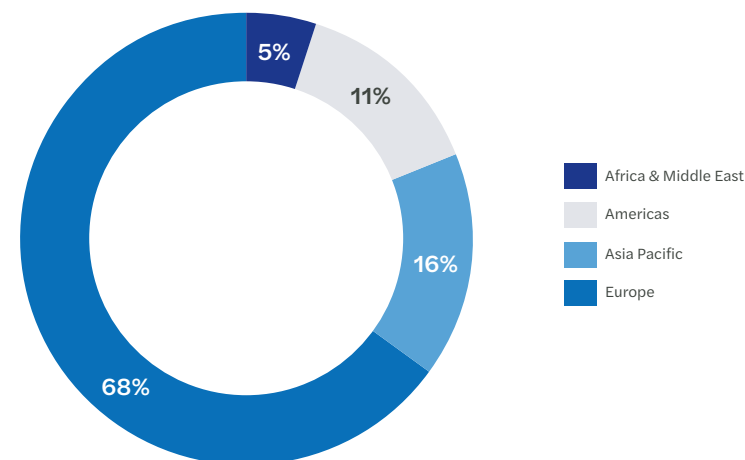
36,000+
professionals

2023/2024 fee income contribution breakdown by service line*



*Excludes ZhongShen ZhongHuan.

2023/2024 fee income contribution breakdown by region



⁶ Fee income covers the period of 1 September 2023 to 31 August 2024.

⁷ Including forex

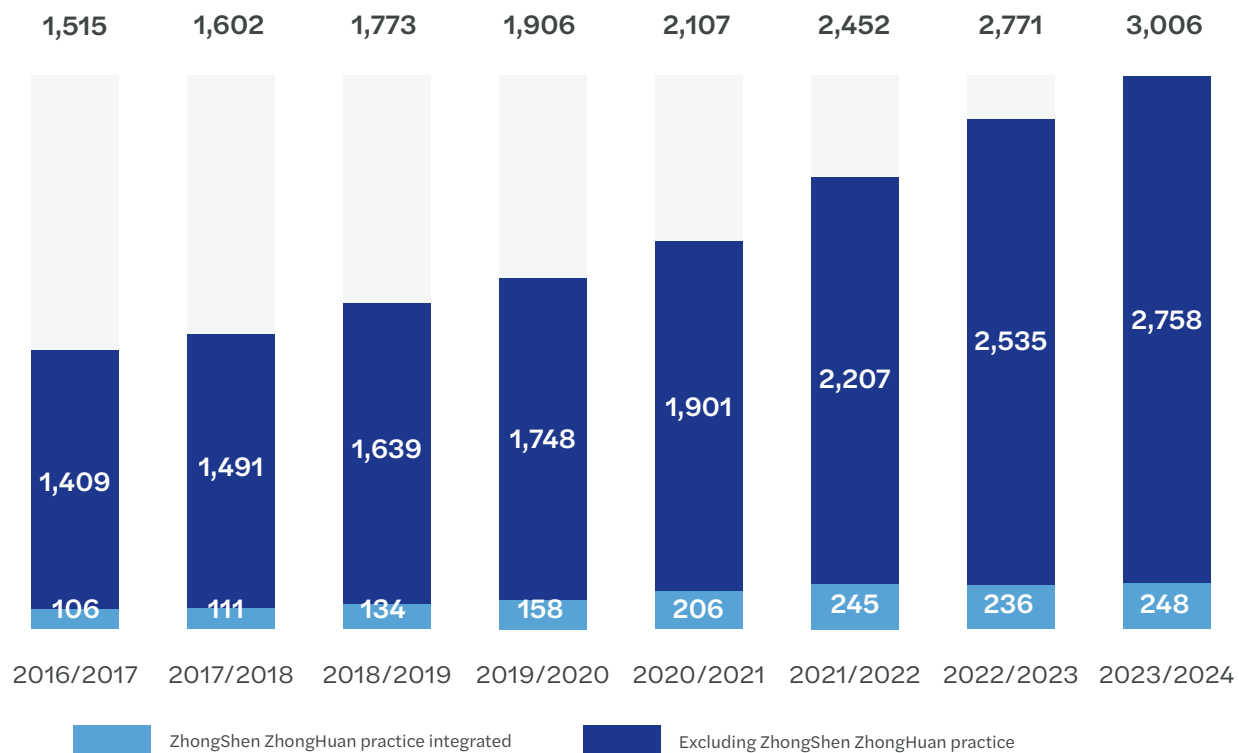
2023/2024 financial performance

Another year of strong growth



Fee income growth over the years

In millions of euros





2023/2024 financial performance

Another year of strong growth

Without ZhongShen ZhongHuan

Our total organic growth in value represented €282 million, while the external growth amounted to €24 million and the forex impact generated a decrease of €15 million. Up to 31 May 2024, member firms in the USA are maintained in the numbers for nine months. Therefore, the like-for-like growth percentage is calculated by reducing last year by three months for legacy USA member firms that exited Forvis Mazars Group, joining Forvis Mazars, LLP, upon the launch of our global network.

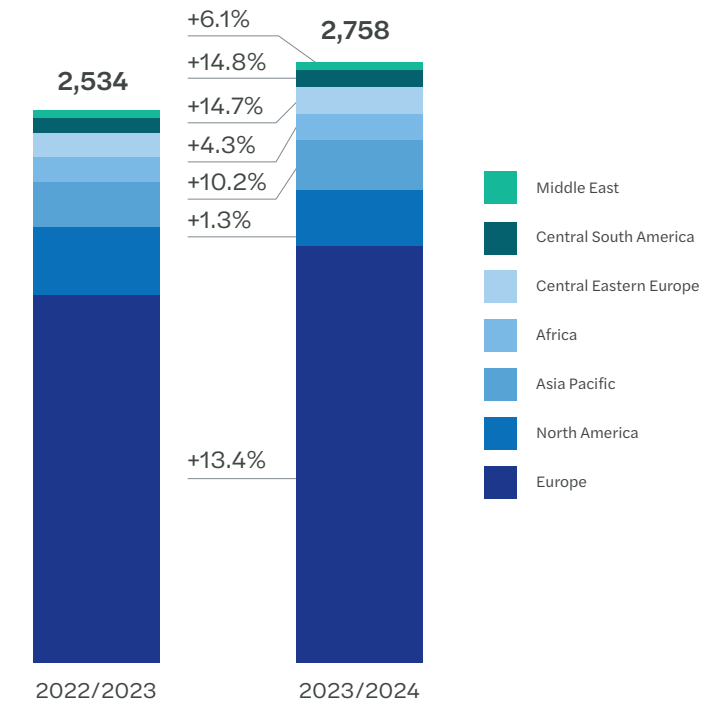
Key figures

	2022/2023	2023/2024
Fee income	€2,534m	€2,758m
Fee income growth	14.8%	11.4%*

* Like-for-like including forex

International coverage

Fee income and year-on-year growth* by region
In millions of euros



* Including -0.6% exchange rate impact

Fee income

€2.8bn

FTEs

30,000+

Growth vs 2023/2024*

+11.4%

* Like-for-like including forex

Organic growth

+11.1%

External growth

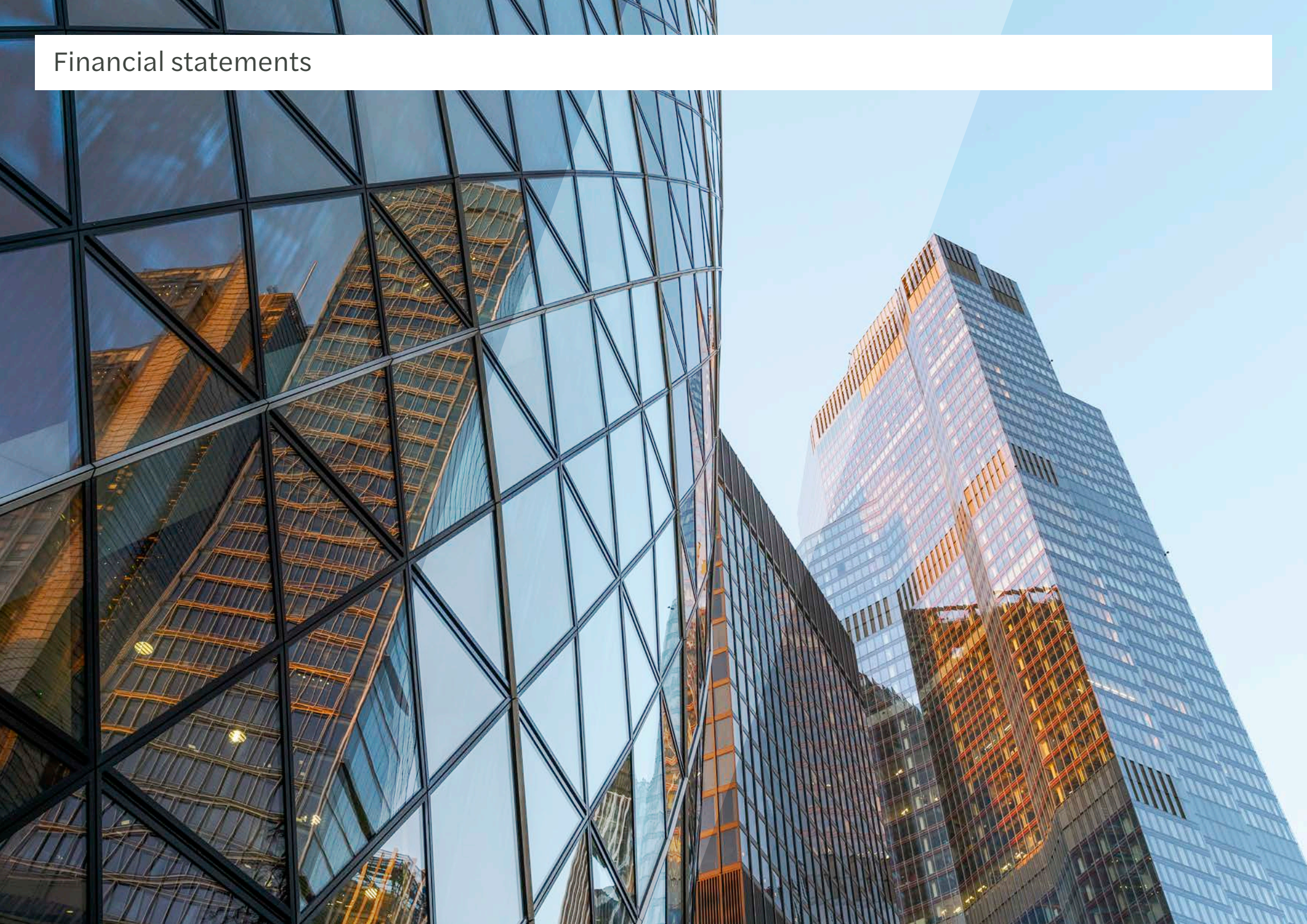
+0.9%

Exchange rate impact

-0.6%



Financial statements





Consolidated financial statements prepared in accordance with IFRS as endorsed for use by the European Commission

Consolidated financial statements for the 2023/2024 financial year ended 31 August 2024

In thousands of euros

Consolidated income statement

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Consolidated financial statements

Consolidated income statement

In thousands of euros	Notes	2022/2023 restated	2023/2024
Revenue	4.1	2,298,890	2,586,502
Rebillable costs	4.1	- 50,534	- 54,441
Fee income	4.1	2,248,356	2,532,061
Direct costs		- 1,234,278	- 1,424,848
Gross margin	4.3	1,014,078	1,107,212
Cost of administrative staff	4.4	- 168,633	- 195,068
Other costs	4.4	- 329,160	- 359,515
Depreciation, amortisation and impairment	4.4, 6.2 and 6.3	- 73,421	- 85,508
Surplus of operations	4.4	442,864	467,120
Amortisation and impairment of client relationships and goodwill	6.1	- 14,706	- 18,578
Financing costs		- 14,143	- 15,689
Exiting firm mutualisation	2.2	636	992
Surplus allocated	4.5	414,651	433,845
Surplus allocated for business investments fund (BIF)		- 10,000	- 10,000
Business investments fund allocated in current financial year		-	5,000
Surplus allocated to partners		- 404,617	- 428,815
Pre-tax result		34	30
Corporate income tax	11		
Post-tax result		34	30





Consolidated statement of comprehensive income

In thousands of euros	Notes	2022/2023 restated	2023/2024
Post-tax result	1.2	34	30
Other comprehensive income			
Remeasurement of defined benefit schemes		- 1,396	1,146
Exchange rate adjustments		- 708	31
Attribution of OCI to partners		2,104	- 1,177
Comprehensive income		34	30





Consolidated statement of financial position

In thousands of euros	Notes	31 August 2023 restated	31 August 2024
Assets			
Intangible assets	6.1	136,578	156,737
Right-of-use - IFRS16	6.2	230,325	319,564
Property, plant and equipment without IFRS 16	6.2	84,265	104,400
Other non-current assets	7.4	18,421	17,023
Total non-current assets		469,590	597,724
Trade accounts receivable and accrued income	4.2	591,579	666,633
Other current assets	10.1	92,193	97,716
Cash and cash equivalents	7.3	224,869	177,653
Total current assets		908,640	942,002
Exiting firm assets	2.2	254,477	
Total		1,632,707	1,539,726



Consolidated statement of financial position

In thousands of euros	Notes	31 August 2023 restated	31 August 2024
Equity and liabilities			
Shareholders' equity	8.1	5,606	5,449
Partnership financing - non-current		196,721	213,174
Partnership financing - current		219,817	224,762
Reserves for future business investments		24,247	17,822
Total partnership financing	8.2	440,785	455,758
Long-term borrowings - non-current	7.3	58,191	87,286
Long-term borrowings - non-current IFRS 16	7.3	197,400	285,240
Long-term provisions	9.1	35,957	35,936
Total other non-current liabilities		291,548	408,463
Long-term borrowings - current	7.3	39,233	37,107
Long-term borrowings - current IFRS 16	7.3	51,287	59,761
Current bank financing	7.3	7,617	10,862
Trade and other payables	10.2	515,407	539,042
Current provisions	9.1	26,747	23,285
Total other current liabilities		640,291	670,057
Exiting firm liabilities	2.2	254,477	
Total		1,632,707	1,539,726



Consolidated statement of changes in equity

In thousands of euros	Capital	Reserves	Shareholders' equity
Shareholders' equity as at 1 September 2022	534	4,870	5,404
Movements in share capital	46	121	167
Other movements			
Transactions with shareholders	46	121	167
Comprehensive income		34	34
Shareholders' equity as at 31 August 2023	580	5,026	5,606
Movements in share capital	- 40	- 147	- 187
Other movements			
Transactions with shareholders	- 40	- 147	- 187
Comprehensive income		30	30
Shareholders' equity as at 31 August 2024	540	4,909	5,449



Consolidated statement of cash flows

In thousands of euros	Notes	31 August 2023 restated	31 August 2024
Operating activities			
Net result		34	30
Depreciation and amortisation	6.1/6.2	94,747	109,972
Elimination of gain or losses on disposal of assets		- 2,173	- 2,764
Allowances and write-backs on provisions	9.1	- 3,871	- 5,597
Self-financing capacity		88,737	101,641
Changes in current assets		- 74,492	- 92,034
Changes in other current liabilities		73,642	25,417
Changes in working capital requirements		- 850	- 66,617
Net cash generated by operating activities	12.1	87,887	35,024



In thousands of euros	Notes	31 August 2023 restated	31 August 2024
Investing activities			
Acquisition of intangible and tangible assets	6.1/6.2	- 57,939	- 69,632
Acquisition of other non-current assets	7.4	- 1,375	- 2,239
Proceeds from tangible, intangible and financial assets		3,076	4,040
Proceeds of other non-current assets	7.4	2,279	1,494
Acquisition of subsidiaries, net of cash acquired		- 6,965	- 15,619
Proceeds from sales of subsidiaries		1,510	42
Net cash used in investing activities	12.2	- 59,413	- 81,914



In thousands of euros	Notes	31 August 2023 restated	31 August 2024
Financing activities			
Changes in capital		206	- 187
Changes in non-current partnership financing	8.2	17,297	19,870
Changes in current partnership financing	8.2	4,003	4,338
Issuance or subscription, of financial debt	7.3	35,333	51,940
Repayment of financial debt	7.3	- 22,452	- 24,246
Repayment of financial debt - IFRS 16	7.3	- 52,527	- 56,178
Cost of financial debt	7.3	1,065	1,932
Net cash from financing activities	12.3	- 17,076	- 2,530
Net change in cash		11,398	- 49,420
Cash and cash equivalents at the beginning of the financial year		212,635	217,252
Impact of foreign exchange		- 6,781	- 1,040
Net change in cash of the year		11,398	- 49,420
Cash and cash equivalents at the end of the financial year		217,252	166,791
Cash and cash equivalents	7.3	224,869	177,653
Bank overdrafts	7.3	7,617	10,862
Cash and cash equivalents at the end of the financial year		217,252	166,791



Note 1: Accounting policies

The consolidated financial statements of Forvis Mazars Group SC, a cooperative society having its registered office at Avenue du Boulevard 21/B8, B-1210 Brussels, Belgium, were approved by the Group Executive Board on 14 November 2024 and submitted for review to the Group Governance Council. They were submitted for approval to the General Assembly of Forvis Mazars Group SC on 12 December 2024.

1.1 Accounting framework

The consolidated financial statements together with the attached notes for the financial year ended 31 August 2024 have been prepared in accordance with IFRS as endorsed by the European Union.

New or amended standards and interpretations mandatory for the 2023/2024 financial year

The Group has applied all new or amended standards and interpretations that are mandatory for the 2023/2024 financial year. None of them has led to a change in accounting policy or has had more than an insignificant impact on the financial statements.

New standards published by the IASB but not yet mandatory

The Group has not yet applied the standards, interpretations and amendments listed below, the application of which was not mandatory as of 1 September 2023:

- Amendments to IAS 1 on the presentation of Financial Statements.
- Amendments to IAS 7 on the presentation of the cash Flows statement.
- Amendments to IAS 12 on International Tax Reform – Pillar Two Model Rules.

The Group has only listed here the standards and amendments that could, in principle, apply to the Group's activities. Those amendments are not expected to have a significant impact on future financial statements.

Agenda decisions issued by the IFRS Interpretations Committee

The Group considered the whole agenda on the decisions of IFRS Interpretations Committee published up to date. For the closing of 31 August 2024, the Group does not identify a decision that implies an accounting policy impact.

Surplus allocated to the Business Investment Fund (BIF)

As a reminder, the profit of the 2020/2021 financial year was allocated to partners except for €10m which was retained by the Group for future investment. The same has been done in 2021/2022 and 2022/2023.

These amounts are shown as 'unallocated profit' under partner financing.

The Group Executive Board has decided to increase the Business Investment Fund (BIF) to €40m, by adding €10m in 2023/2024.

This is part of our strategic plan and constitutes a transparent mechanism for monitoring the allocation of these investments, put in place by the Forvis Mazars governance.

1.2 Basis of preparation

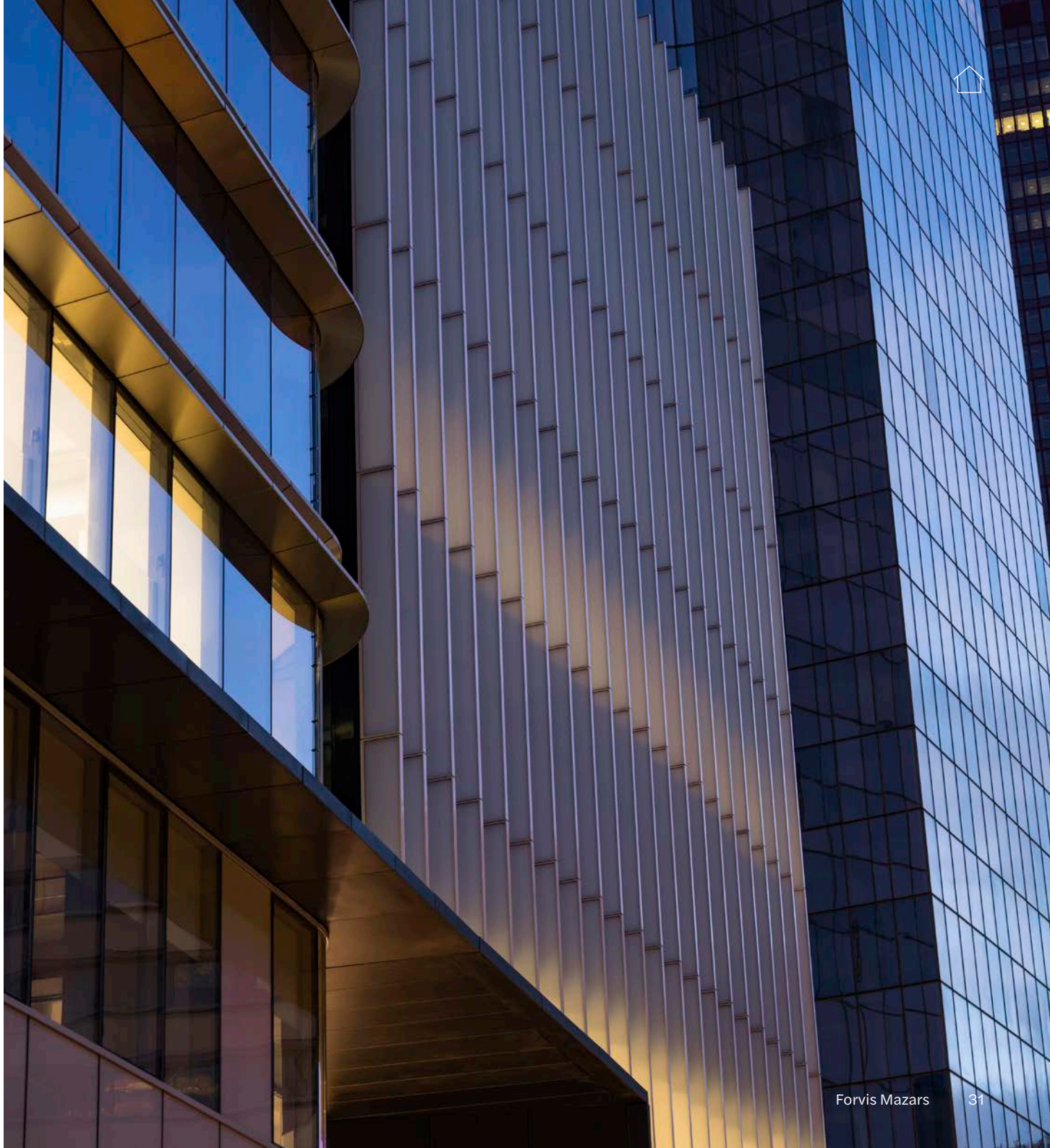
Presentation currency for the consolidated financial statements

Forvis Mazars' consolidated financial statements have been prepared in euros and are presented in thousands of euros (except where otherwise stated).

Main uncertainties arising from the use of estimates and judgements by the Group Executive Board

In accordance with IFRS, the preparation of consolidated financial statements requires the Group Executive Board to make a certain number of estimates and assumptions which have an impact on the amounts of the Group's total assets, liabilities, shareholders' equity and profit and loss during the financial year.

These estimates are made on the assumption that entities will continue as a going concern and are based on information available at the time of their preparation. Estimates may be revised where the circumstances on which they are based change or where new information becomes available.





Note 1: Accounting policies

The main estimates and assumptions likely to have a significant impact on the Group's financial performance are as follows:

- Operating data relating to the firm's engagements: the amount of contract assets and the valuation of receivables and associated impairment losses.
- The valuation of intangible assets: costs at the date of recognition and impairment of goodwill.
- The calculation of post-employment benefit obligations.

The main assets and liabilities as of 31 August 2024, subject to potential material adjustment arising from their basis of measurement, are as follows:

- Group provisions including €8.9m relating to professional exposures and €6m for other risks (see note 9.1).
- Post-employment benefit obligations: the applicable actuarial assumptions and calculations for each country are set out in note 5.2.

The accounting policies and basis of measurement applicable to each item are set out in the corresponding notes.

Particular features of Mazars' partnership model

Structure of the Group

Forvis Mazars Group is an integrated and independent international partnership founded on the effective and democratic participation of each shareholder (the partners) of Forvis Mazars Group SC, the consolidating entity.

All the partners share in the risks and rewards of the integrated partnership (see the basis of partnership financing set out in note 8.2). They all practise in the framework of Forvis Mazars entities which have a range of legal forms depending on national practices or legal constraints: general partnerships, limited liability partnerships or limited liability companies.

The Articles of Association and other institutional documents of Forvis Mazars Group SC (the Forvis Mazars Group SC Agreements) provide for the devolution of control over entities to Forvis Mazars Group SC to the extent compatible with national legislation and regulations.

As the Group's activity is performed within its entities, Forvis Mazars Group SC does not engage in any professional activities directly and has no employees. It invoices other entities in the Group for management and development services as well as brand royalties. It derives the necessary resources to carry out its tasks from entities' contributions or from external sources and, in accordance with the Forvis Mazars Group agreements, it is not intended to generate significant profits.

Note 1: Accounting policies

Consequences in terms of accounting policies

In legal terms, the partners are shareholders in the entities in which they practise. The Forvis Mazars agreements provide for:

- The prohibition for an outgoing partner to retain shares in an entity albeit no longer engaged in collaboration with Forvis Mazars Group.
- The obligation for the entity to acquire the shares of the outgoing partner.

Entities' equity thus meets the definition (under IFRS) of a financial liability and is presented as partnership financing (by the partners) separately from other financing instruments such as borrowings, etc. Partnership financing is detailed in note 8.2 summarising all forms of liabilities due to partners.

Remuneration of partners

Given the partnership nature of the Group's various entities, the consolidated income statement includes an intermediate balance entitled 'Surplus allocated' (see note 4.5), which constitutes the source of partners' remuneration.

Partners' remuneration thus comprises all sums payable, whatever their form, to or by Forvis Mazars' partners at the level of entities or their subsidiaries:

- Due to differences in the partners' legal, tax and corporate status (mainly employees and shareholders in limited liability companies, profit-sharing partners in partnerships) under the various national legislations applicable, the sums which are payable to them for each financial year may take different forms: salaries, bonuses, and social contributions (including to pension schemes), dividends, dividend-related tax, partnership profits, fees, non-commercial profits, etc.

The same applies to corporate income tax payable by entities (see note 11).

Partnership financing

Forvis Mazars Group's operations are essentially financed by the partners in various forms, shares, loans, current account balances, deferred remuneration, etc...

The Group's partnership financing thus comprises the elements included in partners' remuneration plus their contributions in the form of shares or loans, other comprehensive income (in as much as it comprises elements due to or payable by the partners), bond issues and entities' deferred tax assets and liabilities.

Details of the above elements are provided in note 8.2.

Result of the Group

The Group's result is net of partners' remuneration. The pre and post-tax result presented in the Group's consolidated financial statements, and the corporate income tax charge, equate with the sole activity of Forvis Mazars Group SC.

Other comprehensive income

The components of comprehensive income are reclassified and presented either in the consolidated statement of comprehensive income, if related to the consolidating entity's equity, or as part of partnership financing if related to operating entities (see note 8.2).

Shareholders' equity

The shareholders' equity disclosed in the consolidated statement of financial position uniquely comprises the share capital, retained earnings, reserves and other comprehensive income (OCI) items of the consolidating entity, Forvis Mazars Group SC.



Note 1: Accounting policies

Group governance

To manage its activities and financial risks, the Group has implemented the following structure of governance:

- The Group Executive Board has responsibility for Forvis Mazars' development strategy, growth and operational performance and for preserving the unity of the Forvis Mazars partnership.
- The Group Governance Council provides overall supervision of the Group Executive Board.
- The Country Executive Committees are responsible for directing member entities and their operations at national level, in accordance with the framework defined by the Group, and including strategic and operational coordination with the Group.

The shareholders of Forvis Mazars Group SC elect the members of the Group Executive Board, the Group Governance Council and the Country Executive Committees in the countries in which they practise.

Significant events

An excellent year for Forvis Mazars Group with a growth rate of +12.6%, +12.1% of which being organic on like-for-like basis following Mazars USA exit.

Although inflation is reducing it remained high and negatively impacted our gross margin from pressure on client billing rates and cost of staff. Staff attrition rates are lower than usual, a sign of toughening of the job markets.

Our revenue growth was strong in most service lines but especially in Audit, Tax and Consulting.

Some of our large markets grew strongly; Germany +19%, France +14%, Switzerland +14%, Luxembourg +22%, Mexico +23% and Singapore +17%.

Since 2018 and 2022, Argentina and Turkey are considered as hyperinflation markets in which we have used the spot August exchange rates. Ghana has been considered as a hyperinflation economy since December 2023, we have retained the spot EUR/GHS rate as of 31 August 2024 to consolidate Ghana in accordance with IAS 29. Venezuela has been subject to hyperinflation for several years. We have retained a nil value for the entity.

Finally, we opened offices in Finland and Panama.

Events after the financial year closing

No significant events occurred after the financial year.

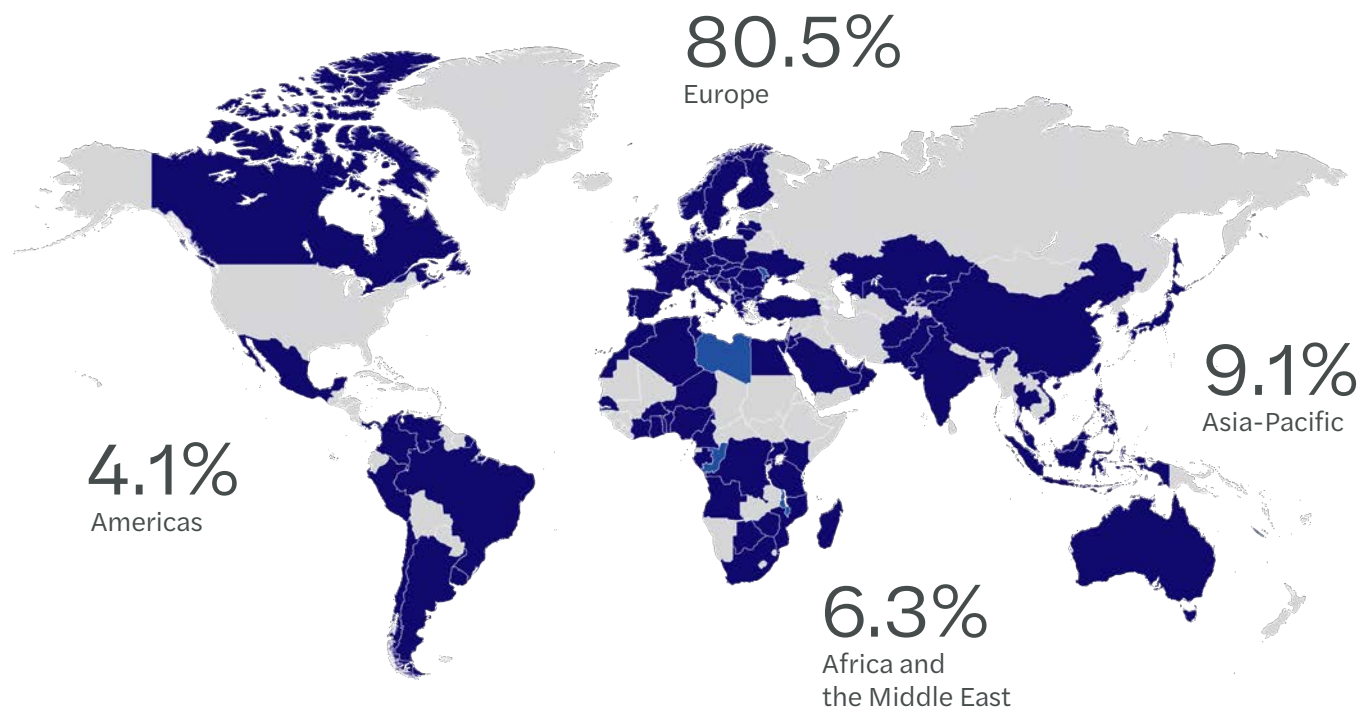
Note 2: Scope of consolidation

2.1 Accounting policies related to the scope of consolidation

Definition of the scope of consolidation

The consolidated financial statements comprise the financial statements of Forvis Mazars Group SC (the consolidating entity), and those of the entities in which the partners carry out their professional activities and of the companies that are majority owned (either directly or indirectly) by those entities. In addition to the consolidating entity, the Group's scope of consolidation comprises operating entities located in 101 countries and territories.

The ten main contributory entities are detailed in the map below with their percentage of contribution to the Group's total fee income:



Valid as of 31 August 2024

- Integrated countries and territories
- Non-integrated countries and territories: Forvis Mazars correspondents and representative offices

Africa

South Africa 2% - Forvis Mazars South Africa

Europe

France 23% - Forvis Mazars SA
 United Kingdom 16% - Forvis Mazars LLP
 Germany 13% - Forvis Mazars GmbH & Co. KG
 The Netherlands 6% - Forvis Mazars NV
 Ireland 3% - Forvis Mazars
 Switzerland 3% - Forvis Mazars Holding SA
 Italy 2% - Forvis Mazars S.p.A
 Spain 2% - Forvis Mazars Auditores SLP
 Luxembourg 1% - Forvis Mazars



Note 2: Scope of consolidation

Conversion of financial statements drawn up in currencies other than the euro

Accounting policies

The financial statements of entities located outside the eurozone are drawn up in local currency, which is generally their functional currency, and converted into euro as follows:

- Assets and liabilities are converted at the applicable exchange rates prevailing at the financial year-end.
- The consolidated income statement is converted at the applicable average exchange rates for the period.

The resulting conversion differences are included under 'Other comprehensive income' (see note 1.2) in 'Partnership financing' (see note 8.2).

Business combinations and goodwill

The requirements of IFRS for business combinations were applied retrospectively from 1 September 1995, when Mazars SC was created.

A retrospective review has been carried out at the country level for mergers prior to 31 August 2003 which primarily related to France, the United Kingdom, and the Netherlands.

Under the Forvis Mazars agreements, each business combination results in control, with shareholdings approaching 100%.

Accounting policies

Business combinations are accounted for using the following acquisition method:

- The cost of an acquisition is measured at the fair value of the consideration transferred, inclusive of any price adjustment, as at the date of control. Any subsequent fair value impact of a price adjustment is recognised in profit or loss or other comprehensive income in accordance with the applicable standards.
- Any difference between the consideration transferred and the net fair value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed represents the goodwill attributable to the acquisition, which is recognised as an asset in the consolidated statement of financial position.

Adjustments to the fair value of the identifiable assets acquired and the liabilities assumed, initially recognised on a provisional basis (pending the results of professional valuation or additional analysis), are treated as retrospective adjustments to goodwill if they arise within a year of the acquisition date and are attributable to facts and circumstances that were in existence at the acquisition date. Any impact identified beyond that period of a year is recognised directly in profit or loss on the same basis as for any other change in estimates or any correction of an error.

Acquisition costs are expensed as incurred.

Note 2: Scope of consolidation

2.2 Evolution of the scope of consolidation

The main evolution of the Group's scope of consolidation during the 2023/2024 financial year are as follows:

- The integration of two new countries: Finland and Panama.
- The exit of USA.
- The evolution of the scope with some mergers and acquisitions in France, Germany, Italy and Norway.

In thousands of euros	Finland
Fee income	770
Gross margin	313
Surplus	329

In thousands of euros	Finland
Total non-current assets	11
Total current assets	519
Total assets	530
Shareholders' equity	
Total partnership financing	113
Total other non-current liabilities	
Total other current liabilities	267
Total equity and liabilities	380

Staff numbers	Finland
Partners	1
Technical staff	3
Administrative staff	1
Total	5



Note 2: Scope of consolidation

Mazars USA exit from 1 June 2024

On 15 November 2023, Mazars and Forvis jointly announced they had created a new global network, effective 1 June 2024. Since then, the network operates under a single brand worldwide, Forvis Mazars, and is formed by two members, Forvis Mazars USA and Forvis Mazars Group for the rest of the world. The former Mazars USA practice left the Mazars SC partnership and integrated Forvis Mazars in the USA.

Mazars USA has been treated as a discontinued operation in consolidated financial statements as of 31 August 2024, only considering the mutualisation due by Mazars USA at the end of 31 May 2024 in the consolidated income statement. The balance sheet of Mazars USA has been deconsolidated as 1 September 2023.

In accordance with IFRS 5, the 2022/2023 financial statements were restated to take into account the Mazars USA exit.

The bridge between the 2022/2023 published consolidated income statement and the restated income statement is as follows:

In thousands of euros	2022/2023		
	Published	USA	Restated
Revenue	2,603,189	304,299	2,298,890
Rebillable costs	- 68,901	- 18,367	- 50,534
Fee income	2,534,288	285,933	2,248,356
Direct costs	- 1,372,662	- 138,384	- 1,234,278
Gross margin	1,161,626	147,548	1,014,078
Cost of administrative staff	- 192,635	- 24,001	- 168,633
Other costs	- 372,570	- 43,410	- 329,160
Depreciation, amortisation and impairment	- 85,051	- 11,631	- 73,421
Surplus of operations	511,370	68,506	442,864
Amortisation and impairment of client relationships and goodwill	- 15,904	- 1,198	- 14,706
Financing costs	- 18,091	- 3,948	- 14,143
Exiting firm mutualisation		- 636	636
Surplus allocated	477,375	62,724	414,651
Surplus allocated for business investments fund	- 10,000		- 10,000
Business investments fund allocated in current financial year	-		-
Surplus allocated to partners	- 467,341	- 62,724	- 404,617
Pre-tax result	34		34
Corporate income tax			
Post-tax result	34		34

**Note 2: Scope of consolidation**

The bridge between the 2022/2023 published consolidated statement of financial position and the restated financial position is as follows:

In thousands of euros	2022/2023		
	Published	USA	Restated
Assets			
Intangible assets	207,975	71,396	136,578
Right-of-use - IFRS16	315,461	85,136	230,325
Property, plant and equipment without IFRS 16	106,887	22,623	84,265
Other non-current assets	18,666	245	18,421
Total non-current assets	648,990	179,400	469,590
Trade accounts receivables and accrued income	638,491	46,912	591,579
Other current assets	100,898	8,705	92,193
Cash and cash equivalents	244,329	19,461	224,869
Total current assets	983,718	75,077	908,640
Exiting firm assets		- 254,477	254,477
Total	1,632,707		1,632,707

**Note 2: Scope of consolidation**

In thousands of euros	2022/2023		
	Published	USA	Restated
Equity and liabilities			
Shareholders' equity	5,606		5,606
Partnership financing - non-current	260,807	64,086	196,721
Partnership financing - current	238,711	18,894	219,817
Reserves for future business investments	24,247		24,247
Total partnership financing	523,765	82,980	440,785
Long-term borrowings - non-current	69,390	11,200	58,191
Long-term borrowings - non-current IFRS 16	281,935	84,535	197,400
Long-term provisions	59,296	23,339	35,957
Total other non-current liabilities	410,622	119,074	291,548
Long-term borrowings - current	39,233		39,233
Long-term borrowings - current IFRS 16	60,494	9,206	51,287
Current bank financing	7,617		7,617
Trade and other payables	553,204	37,797	515,407
Current provisions	32,167	5,420	26,747
Total other current liabilities	692,715	52,423	640,291
Exiting firm liabilities		- 254,477	254,477
Total	1,632,707		1,632,707

**Note 2: Scope of consolidation**

The bridge between the 2022/2023 published consolidated cash flow statement and the restated one is as follows:

In thousands of euros	2022/2023		
	Published	USA	Restated
Net cash generated by operating activities	105,130	17,243	87,887
Net cash used in investing activities	- 71,252	- 11,838	- 59,413
Net cash from financing activities	- 8,112	8,964	- 17,076
Net change in cash	25,766	14,369	11,398
Cash and cash equivalents at the beginning of the year	218,457	5,822	212,635
Impact of foreign exchange	- 7,511	- 730	- 6,781
Cash and cash equivalents at the end of the year	236,713	19,461	217,252

For information, the bridge between the consolidated and management income statements 2023/2024 is the following:

In thousands of euros	Consolidated income statement		Management accounts	
	2023/2024	Mazars USA 9 months	Mutualisation	2023/2024
Fee income	2,532,061	225,874		2,757,934
Surplus allocated	433,845	63,981	- 992	496,834
Surplus allocated for business investments fund	- 10,000			- 10,000
Business investments fund allocated in current financial year	5,000			5,000
Surplus available	428,845	63,981	- 992	491,834
Surplus allocated to partners	- 428,815	- 62,989		- 491,804
Mutualisation		- 992	992	
Post-tax result	30			30

All variation comments in notes 3 to 14 between the financial years 2022/2023 and 2023/2024 are based on these restated financial statements.

Developments in the relationship with ZhongShen ZhongHuan.

On September 4th, 2023, all partners of ZhongShen ZhongHuan resigned from the Mazars Group by signing a notification of retirement.

Mazars Group and ZhongShen ZhongHuan signed a termination agreement. Mazars Group and ZhongShen ZhongHuan have decided to continue their business relationship by signing an Alliance agreement in 2024. The name of the Alliance is ZhongShen ZhongHuan – Mazars International Alliance.

Consequently, we no longer provide a pro forma consolidated income statement and employee data including ZhongShen ZhongHuan



Note 3: Segment reporting

Accounting policies

To evaluate its operating performance and allocate resources, the Group monitors its activities mainly by geographical zone.

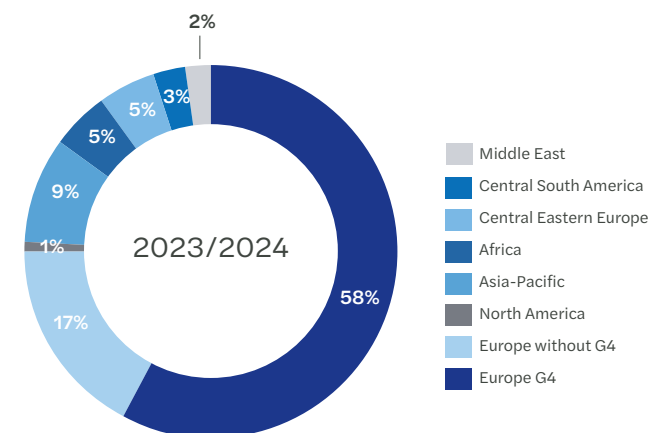
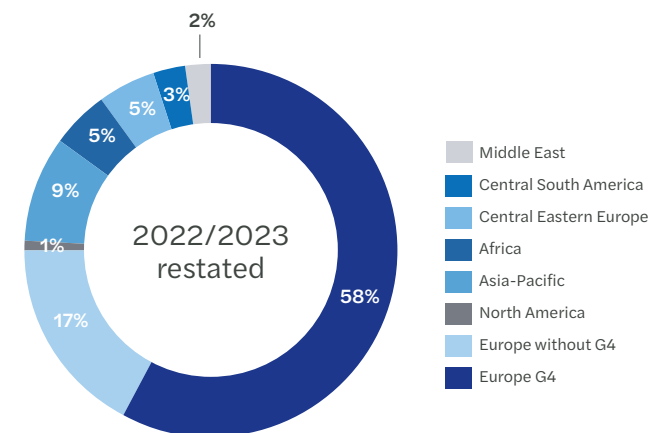
In accordance with IFRS 8, the following segment presentation is based on the Group's internal management reports prepared for review and used by the Group Executive Board – the Group's chief operating decision maker.

The accounting policies applied in preparing the internal management reports are the same as those applied in preparing the Group's consolidated financial statements.

3.1 Information on operating segments

The eight operating segments monitored by the Group Executive Board are as follows:

- Europe G4: France, United Kingdom, Germany, Netherlands
- Europe without G4
- North America
- Asia-Pacific
- Africa
- Central Eastern Europe
- Central South America
- Middle East



Note 3: Segment reporting**Fee income by operating segment**

In thousands of euros	2022/2023 restated	2023/2024
Total Europe	1,686,224	1,911,564
Europe G4	1,302,607	1,474,449
Europe without G4	383,616	437,114
North America	23,579	27,358
Asia-Pacific	210,287	231,722
Africa	114,307	119,165
Central Eastern Europe	109,574	125,711
Central South America	66,593	76,439
Middle East	37,791	40,101
Total	2,248,356	2,532,061

Gross margin by operating segment (% based on fee income)

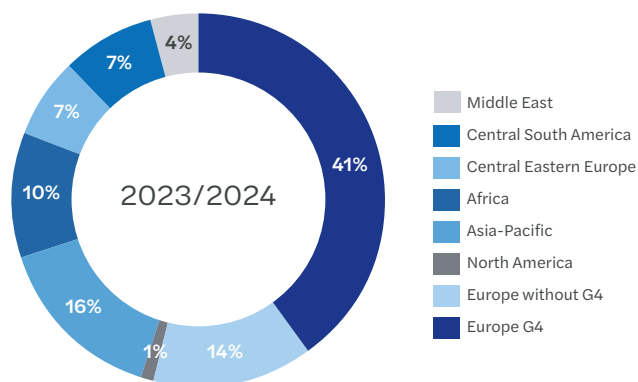
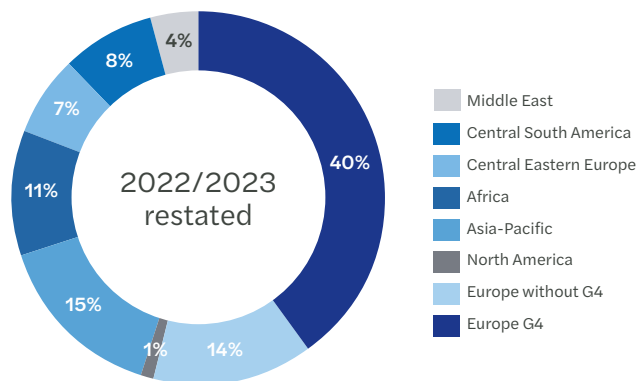
In thousands of euros	2022/2023 restated		2023/2024	
	Gross margin	Gross margin rate	Gross margin	Gross margin rate
Total Europe	756,053	44.8%	824,023	43.1%
Europe G4	584,411	44.9%	634,786	43.1%
Europe without G4	171,642	44.7%	189,237	43.3%
North America	10,172	43.1%	12,812	46.8%
Asia-Pacific	101,675	48.4%	108,631	46.9%
Africa	58,431	51.1%	62,153	52.2%
Central Eastern Europe	47,518	43.4%	52,641	41.9%
Central South America	27,834	41.8%	33,968	44.4%
Middle East	12,395	32.8%	12,985	32.4%
Total	1,014,078	45.1%	1,107,212	43.7%

Notes to the consolidated financial statements

Note 3: Segment reporting

Weighted average full-time equivalent employees by operating segment

In thousands of euros	2022/2023 restated	2023/2024
Total Europe	14,602	16,601
Europe G4	10,843	12,409
Europe without G4	3,759	4,193
North America		182
Asia-Pacific	4,266	4,800
Africa	2,980	3,144
Central Eastern Europe	1,934	2,102
Central South America	2,103	2,238
Middle East	1,114	1,199
Total	27,176	30,266





Note 3: Segment reporting

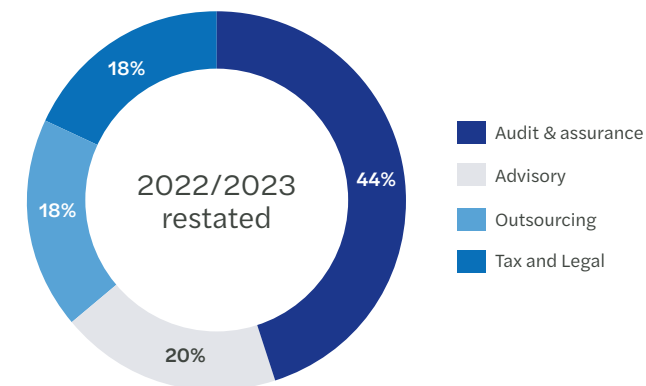
3.2 Information on service lines

The Group's operating teams are organised by service lines as follows:

- **Audit & assurance**, i.e., those services designed to provide the assurance of reliable and relevant financial reporting.
- **Outsourcing**, providing financial and accounting management with a comprehensive response to their requirements ranging from day-to-day accounting to complex projects.
- **Tax and legal**, those services providing tax advisory services and legal and regulatory tax compliance services at both the national and international levels. It includes the provision of tailored responses to issues and related to commercial law, tax law and to the laws applicable to stock market transactions and capital markets.
- **Advisory**, including:
 - **Advisory**, consists of providing financial diagnosis for business operations, valuation, and transmission, as well as support for the resolution of financial disputes.
 - **Consulting**, designed to help organisations focus on their strategies and succeed in the transformation required to achieve improved overall performance.
 - **Sustainability**, providing services related to implementation and transformation of corporate culture, reporting and strategy for sustainability and development for Environment Social and Governance.

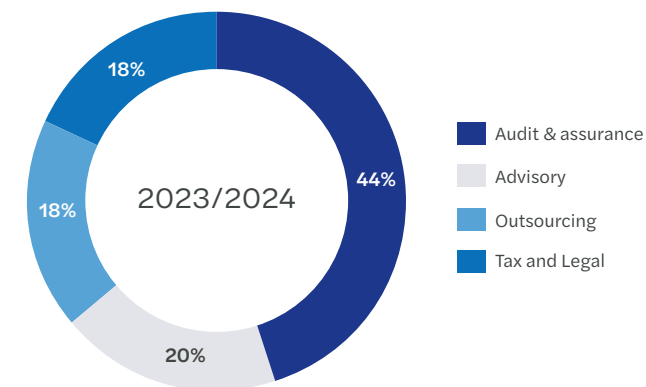
Fee income breakdown by service lines

In thousands of euros	2022/2023 restated	2023/2024
Audit and assurance	985,514	1,111,844
Outsourcing	417,819	457,526
Tax and legal	402,356	452,626
Advisory	443,368	508,157
Total	2,248,356	2,532,061



3.3 Information on the Group's main clients

The Group acts for a very large number of clients, none of which represents more than 5% of its total fee income.





Note 4: Operating data

4.1 Fee income

Accounting policies

Fee income represents the fair value of payments received or receivable for services rendered to clients over the course of the year, after considering changes in contract assets.

Revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue is assessed based on a survey of work performed.

To better assess the level of gross margin, rebillable costs related to the provision of services (notably travel and accommodation) are deducted from revenue to present fee income.

Fee income is recognised based on the percentage of completion (see note 4.2).

Evolution of fee income

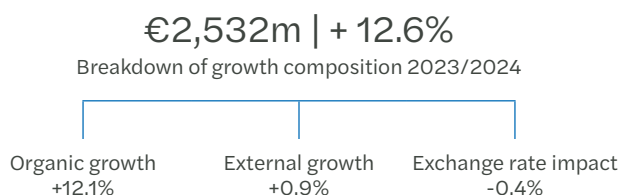
In millions of euros

€2,248m

2022/2023

€2,532m

2023/2024



The exchange rate impact mainly comes from an increase against euro of the British pound, Swiss franc, Mexican peso and Polish zloty, and a decrease against euro of the South African rand, Chinese yuan, Swedish krona, Brazilian real, Singapore dollar, Norwegian krone, Japanese yen and Egyptian pound.

Backlog

Backlog as defined by IFRS 15 equates to the revenue firmly contracted with clients but in respect of which the applicable performance obligations were yet unfulfilled, or only partially fulfilled, at year-end.

The backlog provided by the main countries for budget 2024/2025 represents by service line the following percentage of total target:

Total	54%
Audit and assurance	68%
Outsourcing	71%
Tax and Legal	41%
Advisory	22%

Fee income may be broken down as follows:

In thousands of euros	2022/2023 restated	2023/2024
Fee notes rendered	2,274,477	2,551,566
Change in accrued income	24,413	34,936
Revenue	2,298,890	2,586,502
Rebillable costs	- 50,534	- 54,441
Total	2,248,356	2,532,061

Note 4: Operating data

4.2 Trade accounts receivable and contract assets

Accounting policies

Trade accounts receivable and contract assets are disclosed as a single line item in the consolidated statement of financial position.

Trade accounts receivable

Trade accounts receivable are measured at amortised cost.

Contract assets

Contract assets result from services provided that have not yet been invoiced. Calculation of the contract assets, and thus of the income from services rendered, is based on a specific review of services performed, billed and to be billed, according to the stage of completion of engagements. A contract asset is valued at its probable sales value (net of taxes).

Loss allowances

Loss allowances for trade receivables and contract assets are measured at an amount equal to lifetime expected credit loss (ECL) applicable under IFRS 9 § 5.5.15. The assessment of ECLs is performed at a country level based on the Group's historical experience and an individual review by partners.

The Group considers a financial asset to be in default when it is more than a year past due except for:

- Cash received within 30 days after year-end closing.
- Receivables for long-term (public sector) contracts if it can be proven that the clients concerned have not been responsible for payment defaults over the last two accounting periods.
- Receivables the ultimate recovery of which is guaranteed by contract.

**Note 4: Operating data**

As of 31 August 2024, trade accounts receivable, contract assets and contract liabilities were broken down as follows:

In thousands of euros	31 August 2023 restated			31 August 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
Client debtors	495,804	- 50,105	445,699	558,555	- 53,614	504,941
Accrued income	211,770	- 25,555	186,216	275,063	- 39,051	236,012
Payments on account	- 19,319		- 19,319	- 50,822		- 50,822
Contract liabilities	- 21,016		- 21,016	- 23,499		- 23,499
Client debtors and accrued income	667,238	- 75,659	591,579	759,298	- 92,665	666,633
Ratio of trade accounts receivables and accrued not billed			25.7%			25.8%

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to client debtors when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognised over time.

The ageing of trade accounts receivable based on their invoicing dates may be analysed as follows:

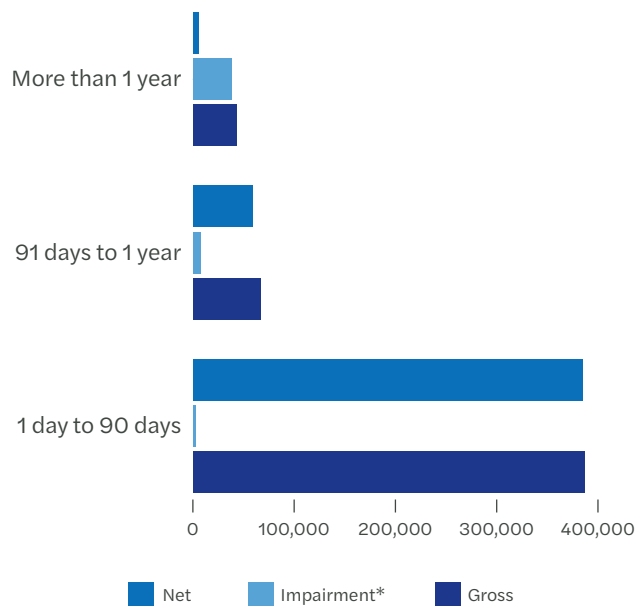
In thousands of euros	31 August 2023 restated			31 August 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
1 day to 90 days	370,826	- 3,128	367,698	435,061	- 2,646	432,415
91 days to 1 year	83,086	- 10,104	72,982	74,822	- 8,399	66,423
More than 1 year	41,891	- 36,872	5,019	48,673	- 42,569	6,104
Total	495,804	- 50,105	445,699	558,555	- 53,614	504,941



Note 4: Operating data

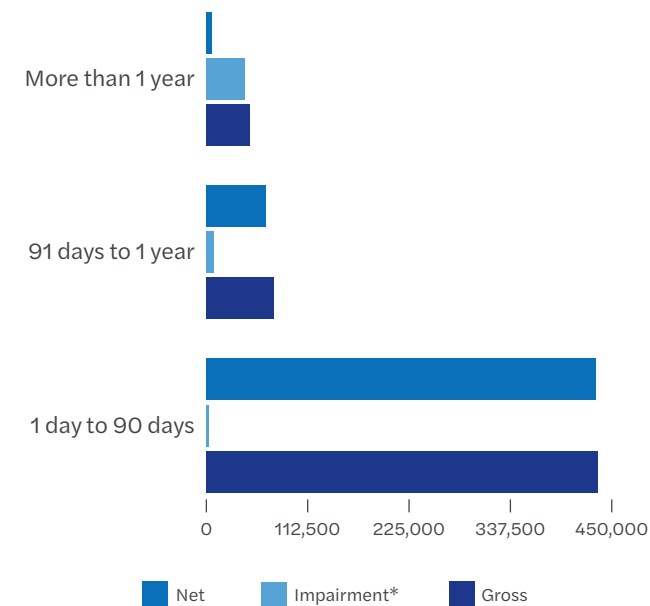
As of 31 August 2024, there was no reason to doubt the creditworthiness of receivables due but unimpaired. Almost half of the residual amount of receivables older than one year is composed of French VAT, which is not paid if not collected.

In thousands of euros



31 August 2023

In thousands of euros



31 August 2024

* Impairment: Chart in absolute values

Note 4: Operating data

4.3 Gross margin and direct costs

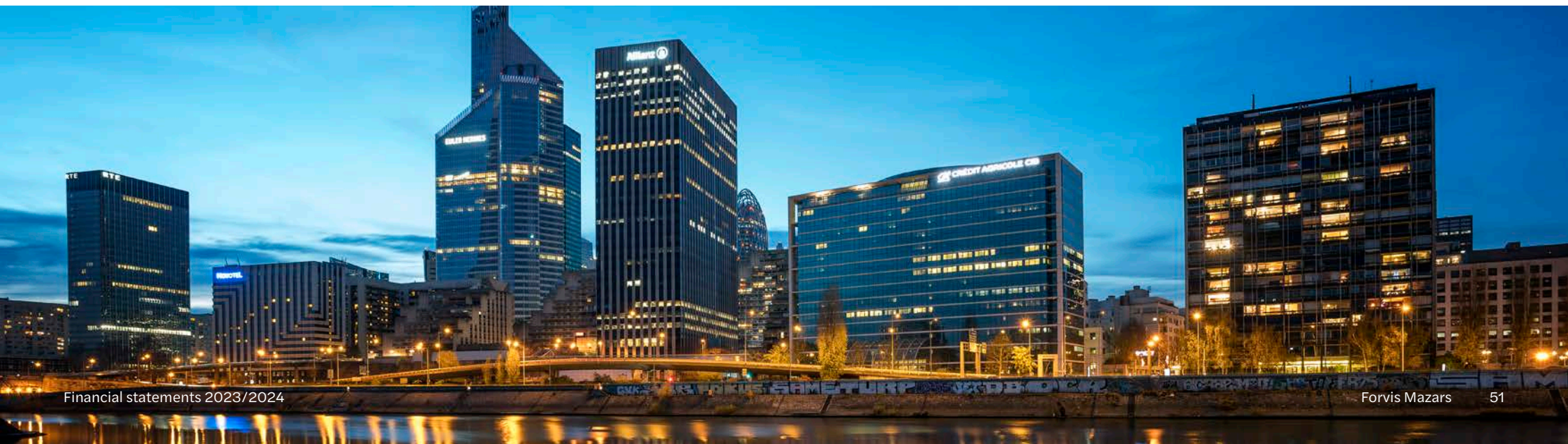
Accounting policies

Gross margin is derived from fee income less the cost of technical staff (both employees of the Group and technical subcontractors).

Technical staff comprises the firm's operating personnel (except partners) working on engagements performed within the framework of the Group's various service lines. The cost of technical staff amounts to 97% of internal payroll costs and 3% of subcontracting expenses as follows:

In thousands of euros	2022/2023 restated	2022/2023 Average FTE	2023/2024	2023/2024 Average FTE
Fee income	2,248,356		2,532,061	
Cost of technical staff	- 1,197,797	22,878	- 1,383,586	25,451
Cost of technical subcontracting	- 36,480		- 41,262	
Gross margin	1,014,078		1,107,212	
Gross margin rate	45.1%		43.7%	

The cost of technical staff increased by 15.5% in 2023/2024. Wage increases, bonus schemes, inflation and scarcity of resources are the main reasons behind the pressure on the gross margin.



Note 4: Operating data

4.4 Surplus of operations

Accounting policies

Surplus of operations represents the result of the Group's activities realised through its operating resources. It includes depreciation, amortisation and/or impairment of assets other than client relationships, impairment of goodwill, finance costs, income tax charges and partners' remuneration (see note 4.5).

The table below provides a breakdown of the costs deducted from the Group's gross margin to arrive at the surplus of operations:

In thousands of euros	2022/2023 restated	2023/2024
Gross margin	1,014,078	1,107,212
Cost of administrative staff	- 168,633	- 195,068
Other costs	- 329,160	- 359,515
Depreciation, amortisation and impairment	- 16,373	- 22,788
Depreciation, amortisation and impairment - IFRS 16	- 57,047	- 62,720
Surplus of operations	442,864	467,120
Ratio of surplus of operations to fee income	19.7%	18.4%

To support the fee income growth of 11.4% over the previous year, the number of administrative personnel has increased by 13%. The weight of administrative staff remains stable at 12% of total FTEs.

The positions that are increasing most sharply are IT costs, property costs, travel, meetings and entertainment, rebranding and business development.

In thousands of euros	2022/2023 restated	2023/2024
Property costs	- 31,417	- 38,678
Tax, insurance and professional contributions	- 41,880	- 46,141
General services	- 83,073	- 104,789
Other	- 172,791	- 169,908
Other costs	- 329,160	- 359,515

4.5 Surplus allocated

Accounting policies

In accordance with the Forvis Mazars agreements, the concept of surplus is the measure used to assess the performance of entities and partners and as a point of reference, after eliminating any exceptional items as defined by the Forvis Mazars agreements, for determining partners' remuneration. A sub-total is thus calculated which allows the Group's performance to be measured before any form of remuneration is paid to the partners.

Surplus equates with operating surplus net of the impact of amortisation and impairment of client relationships and goodwill as well as of financing costs.

Notes to the consolidated financial statements

Note 4: Operating data

The table below provides a breakdown of the costs deducted from the surplus of operations to arrive at the surplus allocated:

In thousands of euros	2022/2023 restated	2023/2024
Surplus of operations	442,864	467,120
Amortisation/impairment of client relationships and goodwill	- 14,706	- 18,578
Financing costs	- 14,143	- 15,689
Exiting firm mutualisation	636	992
Surplus allocated	414,651	433,845
Ratio of total surplus to fee income	18.4%	17.1%

The detail of the financing costs is as follows:

In thousands of euros	2022/2023 restated	2023/2024
Financing interest	- 7,236	- 10,894
Exchange gains and losses	- 2,353	- 1,518
Other financial income and expenses	1,932	3,841
Financing cost - IFRS 16	- 6,486	- 7,118
Financing costs	- 14,143	- 15,689

The increase in the financing interest is mainly reflected by the rise in policy interest rates introduced by the ECB and the Fed, which only began to decrease in June 2024. The French and German entities drew new bank loans during the last two years and are the two countries that have been the most impacted by this interest rate increase.





Note 5: Employee benefits

Accounting policies

Employee benefits are measured in accordance with IAS 19 and comprise:

- The remuneration of partners and technical and administrative staff; and
- Short-term and long-term employee benefits.

The remuneration applicable to each category of employees is analysed over distinct line items in the consolidated income statement.

Accrued remuneration for the current and prior accounting periods is presented:

- For technical and administrative personnel, as part of payroll liabilities (current portion) or post-employment benefit liabilities (non-current portion) (see notes 10.2 and 9.1); and
- For partners, as part of current and non-current partnership financing (see note 8.2).

Short-term benefits

Group employees receive short-term benefits such as salaries, paid vacation and sick leave, bonuses, profit-sharing, dividends* and other benefits (other than termination benefits) payable during the period of performance of the corresponding services or within twelve months after the end of that period.

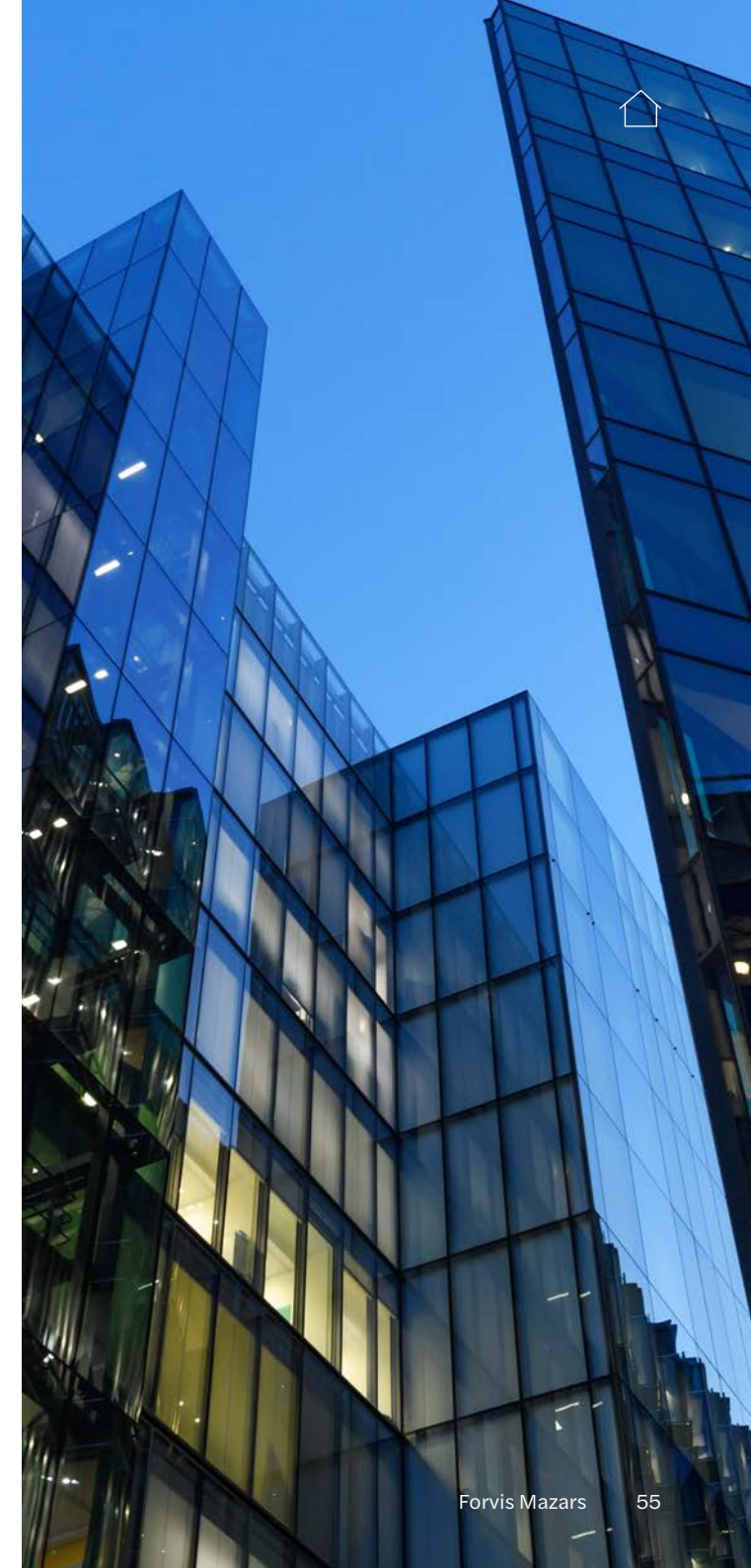
The benefits are charged to profit or loss at the time of performance of the corresponding services.

* In certain entities, dividends are paid to employees who are not partners. Such dividends, along with the related tax, are considered as an element of the employees' remuneration.

Post-employment benefits

Post-employment benefits comprise lump-sum retirement benefits and complementary pensions (see note 5.2).

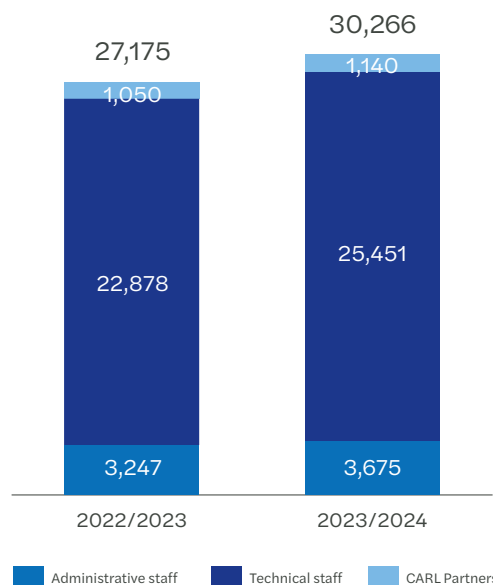
The various benefits offered to each partner or employee depend on local legislation as well as on the agreements in force within each Group entity.



Note 5: Employee benefits

5.1 Partners and employees

The Group distinguishes between the three following categories of personnel with a total increase in the number from 27,175 in 2022/2023 to 30,266 in 2023/2024 (numbers are expressed on an average full-time equivalent basis):



The breakdown by operating segment is presented in note 3.1.

The costs of technical and administrative staff are detailed in notes 4.3 and 4.4.

5.2 Post-employment benefits

In accordance with the laws and practices of each country, Forvis Mazars participates in employee benefit plans offering retirement, death and disability, healthcare, and special termination benefits. These plans provide benefits based on various factors such as length of service, salaries, and contributions made to the governmental bodies responsible for the payment of benefits. These plans can be either defined contribution or defined benefit pension plans and may be entirely or partially funded with investments made in various non-consolidated instruments such as mutual funds, insurance contracts, and other instruments.

Accounting policies

The liabilities of the Group arising from defined benefit obligations, and the related current service cost, are determined using the projected unit credit method. Various assumptions are used in calculating the expenses, liabilities and assets related to the benefit plans. Actuarial advice is provided both by external consultants and by actuaries employed by the Group. Assumptions mainly include the discount rate, the inflation rate and the long-term salary increase rate. Statistical information is mainly related to demographic assumptions such as mortality, employee turnover, disability, and retirement age. The rate of salary increases is determined by each country based on a long-term salary policy and takes into consideration all of the relevant factors including market practices, as well as career development, promotion and seniority, among other inputs. The other assumptions (retirement age, employee turnover, mortality, and disability) reflect the demographic and economic situation of the countries and subsidiaries in which the plans are in force. The actual data (such as inflation, mortality, and real return on assets) may differ from the long-term actuarial assumptions used. The resulting difference is recognized as a gain or loss in other comprehensive income, with no possibility to subsequently recycle them to the income statement. The past service cost is recorded immediately in the statement of income, whether vested or unvested. The net periodic pension cost is recognised under 'Other operating expenses'.

For defined contribution plans, expenses correspond to the contributions paid.

Given the specific partnership features of those entities and of the Group, such gains and losses are simultaneously allocated to the non-current portion of partnership financing since they contribute to the Group's partnership financing requirements (see note 1.2).



Note 5: Employee benefits

Characteristics of defined benefit plans

The geographical zones within which material defined post-employment benefit plans exist are as follows:

	Lump-sum retirements benefits	Complementary pensions
Germany		X
France	X	
United Kingdom		X
Switzerland		X
Italy	X	

Apart from legally required social security arrangements, the majority of Group employees are eligible for benefits through pension plans in case of retirement, death in service, healthcare, disability and in case of resignation. Those plans are either defined contribution plans or defined benefit plans based on pensionable remuneration and length of service. The Group manages its pension plans by geographic area and the major plans, classified as defined benefit plans under IAS 19, are located in Europe (France, Switzerland, United Kingdom, Italy and Germany). In accordance with applicable legal frameworks, these plans have governing bodies that have a fiduciary responsibility to oversee the management. The main defined benefits schemes and their characteristics are as follows:

France: The French pension system is operated on a 'pay as you go' basis. Besides the basic and complementary pension systems, French law stipulates that employees are paid retirement indemnities in the form of lump sums on the basis of the length of service and final salary, which are considered as defined benefit obligations. In France there are also a defined benefit plan for former partners that has been closed to new members and the vesting period frozen at 31 August 2019, in accordance with government order 201-697 dated 3 July 2019.

In the USA the group provided a defined benefits retirement plan to current and former partners, which was inherited from the former employer Weiser. At retirement date a capital, based on average pensionable earnings before retirement, was paid by several instalments. The plan was unfunded, and benefits were paid directly by the Group. The plan was taken out of the perimeter of consolidation as at the opening date (2022/2023 restated).

The pension plan in Switzerland is a legal mandatory cash balance plan where contributions are expressed as a percentage of the pensionable salary. The pension plan guarantees the amount accrued on the members' savings accounts, as well as a minimum interest on those savings accounts. At retirement date, the savings accounts are converted into pensions. However, members may opt to receive a part of the pension as a lump sum. The scheme is funded by contributions and accumulated Plan assets are held and managed by a pension fund which operates in the Swiss second-pillar pension regulatory framework.

In the United Kingdom, the defined benefit pension plan was closed to new entrants during 1995. Accrued pensions are automatically revalued according to inflation, subject to caps. Similarly, pensions in payment are increased annually in line with inflation, subject to caps as applicable. At retirement, there is a lump sum option. Finally, the funding of the United Kingdom pension fund is defined on the basis of a triennial independent actuarial valuation in accordance with local regulations.

In Germany a pension plan is provided for former partners and closed to new members.

In Italy commitments concern the TFR (Trattamento di Fine Rapporto), a legally required end of service allowance, paid regardless of the reason for the employee's departure from the company.

In other countries the Group provides retirement lump sums or termination benefits in accordance with local regulations.

Risks associated with defined benefit plans.

The main factors that affect the amount of the employee benefit obligation are returns on plan assets, actuarial assumptions (including the discount rate and future inflation), experience adjustments, changes in legislation and plan amendments. An adverse change in one or more of these factors could result in an increase in the amount of the net obligation and consequently require the Group to make additional contributions to make up for the funding shortfall.

The elements provided in the following tables are broken down over those geographical zone.



Note 5: Employee benefits

Evolution of benefit obligations, plan assets and net provisions

Benefit obligations, plan assets and net provisions have changed as follows over the last two accounting periods:

In thousands of euros	31 August 2024				Total
	Euro zone	United Kingdom	Switzerland	Other countries	
Present value of benefit obligations	18,932	28,528	67,176	3,264	117,901
Fair value of plan assets	-3,363	-26,587	-60,134	-675	-90,758
Asset ceiling		293			293
Opening liability (asset)	15,570	2,234	7,042	2,589	27,435
Costs of the period	1,726	117	3,087	60	4,989
Actuarial gains and losses recognised in OCI	642	-1,134	304	441	253
Effect of asset ceiling		1,474			1,474
Benefits and contributions paid	-1,489	-843	-3,512	-405	-6,249
Change in consolidation scope	609				609
Foreign exchange impact		31	1,700	-156	1,575
Closing liability (asset)	17,057	1,878	8,621	2,530	30,087
of which - partners			1,692	555	2,247
of which - staff	17,057	1,878	6,930	1,975	27,840
Present value of benefit obligations	20,333	27,203	77,974	3,233	128,743
- Fair value of plan assets	-3,276	-27,129	-69,352	-703	-100,460
+ Asset ceiling		1,804			1,804
In the partner compensation	17,057	1,878	8,621	2,530	30,087

**Note 5: Employee benefits**

In thousands of euros	31 August 2023 restated				Total
	Euro zone	United Kingdom	Switzerland	Other countries	
Present value of benefit obligations	19,150	33,034	58,687	3,084	113,955
Fair value of plan assets	-3,408	-31,897	-52,452	-1,107	-88,864
Asset ceiling		1,617			1,617
Opening liability (asset)	15,742	2,754	6,235	1,977	26,708
Costs of the period	1,458	119	2,267	577	4,421
Actuarial gains and losses recognised in OCI	-467	1,573	2,353	608	4,067
Effect of asset ceiling		-1,413			-1,413
Benefits and contributions paid	-1,290	-831	-2,604	-512	-5,238
Change in consolidation scope	127			250	377
Foreign exchange impact		32	-1,208	-310	-1,487
Closing liability (asset)	15,570	2,234	7,042	2,589	27,435
of which - partners	0		1,389	1,141	2,530
of which - staff	15,570	2,234	5,653	1,448	24,905
Present value of benefit obligations	18,932	28,528	67,176	3,264	117,901
- Fair value of plan assets	-3,363	-26,587	-60,134	-675	-90,758
+ Asset ceiling		293			293
In the partner compensation	15,570	2,234	7,042	2,589	27,435



Note 5: Employee benefits

Expenses recognised

The net expense for the 2023/2024 financial year may be broken down as follows:

In thousands of euros	2023 / 2024				Total
	Euro zone	United Kingdom	Switzerland	Other countries	
Cost of services rendered	1,157		2,917	-217	3,857
Interest expense	687	1,420	1,394	322	3,824
Expected return on plan assets	-118	-1,304	-1,224	-46	-2,691
Net expense for the period	1,726	117	3,087	60	4,989
Forex impact		31	1,700	-156	1,575

In thousands of euros	2022 / 2023 restated				Total
	Euro zone	United Kingdom	Switzerland	Other countries	
Cost of services rendered	995		2,202	349	3,546
Interest expense	563	1,443	990	302	3,297
Expected return on plan assets	-100	-1,324	-924	-74	-2,422
Net expense for the period	1,458	119	2,267	577	4,421
Forex impact		32	-1,208	-310	-1,487

Note 5: Employee benefits

Actuarial gains and losses

Actuarial gains and losses for the 2023/2024 financial year amounted to a net loss of €1.7m and may be broken down as follows:

In thousands of euros	2023 / 2024				Total
	Euro zone	United Kingdom	Switzerland	Other countries	
Actuarial gains and losses on the DBO	586	576	6,087	429	7,678
Experience gains and losses	85	585	2,505	235	3,410
Actuarial gains and losses due to changes in financial assumptions	501	271	3,582	1,057	5,411
Actuarial gains and losses due to change in demographic assumptions		-279		-864	-1,143
Actuarial gains and losses on plan assets	56	-1,710	-5,783	12	-7,425
Remeasurements recognised in other comprehensive income	642	-1,134	304	441	253
Effect of asset ceiling		1,474			1,474
Total remeasurements included in OCI	642	340	304	441	1,727

In thousands of euros	2022 / 2023 restated				Total
	Euro zone	United Kingdom	Switzerland	Other countries	
Actuarial gains and losses on the DBO	-477	-3,393	1,542	133	-4,948
Experience gains and losses	136		2,327	237	2,065
Actuarial gains and losses due to changes in financial assumptions	-1,334	-2,966	-814	-104	-7,336
Actuarial gains and losses due to change in demographic assumptions	721	-427	30		324
Actuarial gains and losses on plan assets	10	4,966	811	475	6,262
Remeasurements recognised in other comprehensive income	-467	1,573	2,353	608	1,314
Effect of asset ceiling		-1,413			-1,413
Total remeasurements included in OCI	-467	160	2,353	608	-99

Globally, actuarial gains on plan assets offset losses generated on the due to the decrease of discount rates.

Note 5: Employee benefits

Plan assets

The Group's post-employment benefit obligations are partially covered by dedicated funds allocated as follows for the main benefit plans financed:

	31 August 2023					31 August 2024				
	Equities	Bonds	Derivatives	Real estate	Cash	Equities	Bonds	Derivatives	Real Estate	Cash
Euro zone	30%	70%	0%	0%	0%	30%	70%	0%	0%	0%
United Kingdom	24%	67%	0%	0%	9%	18%	78%	0%	0%	4%
Switzerland	29%	35%	3%	31%	0%	25%	33%	10%	31%	0%





Note 5: Employee benefits

Applicable assumptions and sensitivity analysis

As of 31 August 2024, the financial assumptions retained for the benefit plans applicable to each of the Group's geographical zones were as follows:

	Discount rates 2023	Discount rates 2024	Inflation rates 2023	Inflation rates 2024
Euro zone	3.65%	3.43%	2.00%	2.00%
United Kingdom	5.20%	4.90%	3.60%	3.20%
Switzerland	2.00%	1.40%	1.30%	1.30%

Discount rates are determined by reference to market yields on high quality corporate bonds at the end of the reporting period.

The assumptions as to salary increases correspond, for each country, to the anticipated rates of inflation and individual salary increases.

The following table discloses the sensitivity to a 0.5% increase or decrease in the discount rates applied:

In thousands of euros	31 August 2024					Total
	United States	Euro zone	United Kingdom	Switzerland	Other countries	
Obligation as at 31 August 2024		20,333	27,203	77,974	3,233	128,743
Impact of an increase of 0.50%		-965	-1,360	-4,308	-96	-6,730
Impact of a decrease of 0.50%		975	1,904	4,924	109	7,913
Weighted duration (in years)		10	12	12	6	11

Note 6: Intangible assets and property, plant and equipment

6.1 Intangible assets

Accounting policies

Any difference between the consideration transferred and the net fair value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed represents the goodwill attributable to the acquisition which is recognised as an asset in the consolidated statement of financial position.

Goodwill and other long-term assets should be tested for impairment at the member firm level at least annually or more frequently if events and circumstances exist that indicate that an impairment test should be performed.

Intangible assets acquired through a business combination are recognised at their fair value at the date of acquisition and accounted for separately from any goodwill if the two following conditions are met:

- They are identifiable (i.e., they result from legal or contractual rights).
- They can be separated from the acquired entity and can be measured.

Intangible assets which fall into this category are included under 'Client relationships'. They include audit appointments, contracts (for accounting services in particular) and portfolios of client relationships. The fair value of 'Client relationships' is calculated by reference to the expected cash flows from contracts, appointments and portfolios over their respective durations, discounted at a rate determined by the expected rate of return on equity weighted according to the Group's financing structure. Client relationships are amortised on a straight-line basis over their estimated average lives.

Other intangible assets acquired separately are accounted for at the value of the consideration paid.

They are subject to straight-line amortisation over their period of use which varies, depending on the country, between seven and twenty years.

Intangible assets other than goodwill mainly comprise software amortised on a straight-line basis over periods of one to five years.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement.

Note 6: Intangible assets and property, plant and equipment

Intangible assets may be broken down as follows:

In thousands of euros	31 August 2023 restated	Acquisitions	Amortisations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2024
Gross values								
Client relationships	137,852	881		- 2,247	18,091	740	321	155,637
Goodwill	64,546	75			- 151	- 1	6	64,476
Other intangible assets	73,294	19,872		- 417	501	1,318	619	95,187
Total	275,692	20,827		- 2,664	18,441	2,057	945	315,299
Amortisation and provisions								
Client relationships amortisation/impairment	- 91,282		- 11,736	1,746	- 259	449	- 223	- 101,306
Goodwill amortisation/impairment	- 2,030		- 283				1	- 2,311
Other intangible assets amortisation/impairment	- 45,802		- 7,448	341	- 463	- 893	- 680	- 54,945
Total	- 139,114		- 19,467	2,087	- 722	- 444	- 901	- 158,562
Net values								
Client relationships	46,569	881	- 11,736	- 501	17,832	1,188	97	54,331
Goodwill	62,517	75	- 283		- 151	- 1	8	62,164
Other intangible assets	27,492	19,872	- 7,448	- 76	38	425	- 61	40,242
Total	136,578	20,827	- 19,467	- 577	17,719	1,613	44	156,737

Variation of client relationships in the change in consolidation scope is mainly explained by the development of France.

The acquisitions of other intangible assets mainly correspond to the investment done within the Global IT platform (Atlas NextGen, Office 365 Single Tenant, Service Now, ...), and IT tool investments in Germany and the Netherlands.

Note 6: Intangible assets and property, plant and equipment

As of 31 August 2023, Intangible assets may be broken down as follows:

In thousands of euros	31 August 2022	Acquisitions	Amortisations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	Exiting firm	31 August 2023 restated
Gross values									
Client relationships	158,762	12,319		- 1,572	2,080	- 2,063	- 4,718	- 26,956	137,852
Goodwill	123,252	8,312		- 130		1,003	- 6,081	- 61,810	64,546
Other intangible assets	68,133	11,810		- 5,753	- 161	133	- 411	- 456	73,294
Total	350,147	32,441		- 7,455	1,919	- 927	- 11,210	- 89,222	275,692
Amortisation and provisions									
Client relationships amortisation/ impairment	- 100,372		- 10,726	1,271		- 1,318	2,494	17,370	- 91,282
Goodwill amortisation/impairment	- 1,829			74		- 284	9		- 2,030
Other intangible assets amortisation/impairment	- 46,206		- 6,409	5,672	162	131	391	456	- 45,802
Total	- 148,407		- 17,135	7,017	162	- 1,471	2,895	17,826	- 139,114
Net values									
Client relationships	58,390	12,319	- 10,726	- 302	2,080	- 3,381	- 2,224	- 9,586	46,569
Goodwill	121,423	8,312		- 56		718	- 6,071	- 61,810	62,517
Other intangible assets	21,927	11,810	- 6,409	- 81	1	264	- 19		27,492
Total	201,740	32,441	- 17,135	- 439	2,081	- 2,398	- 8,315	- 71,396	136,578

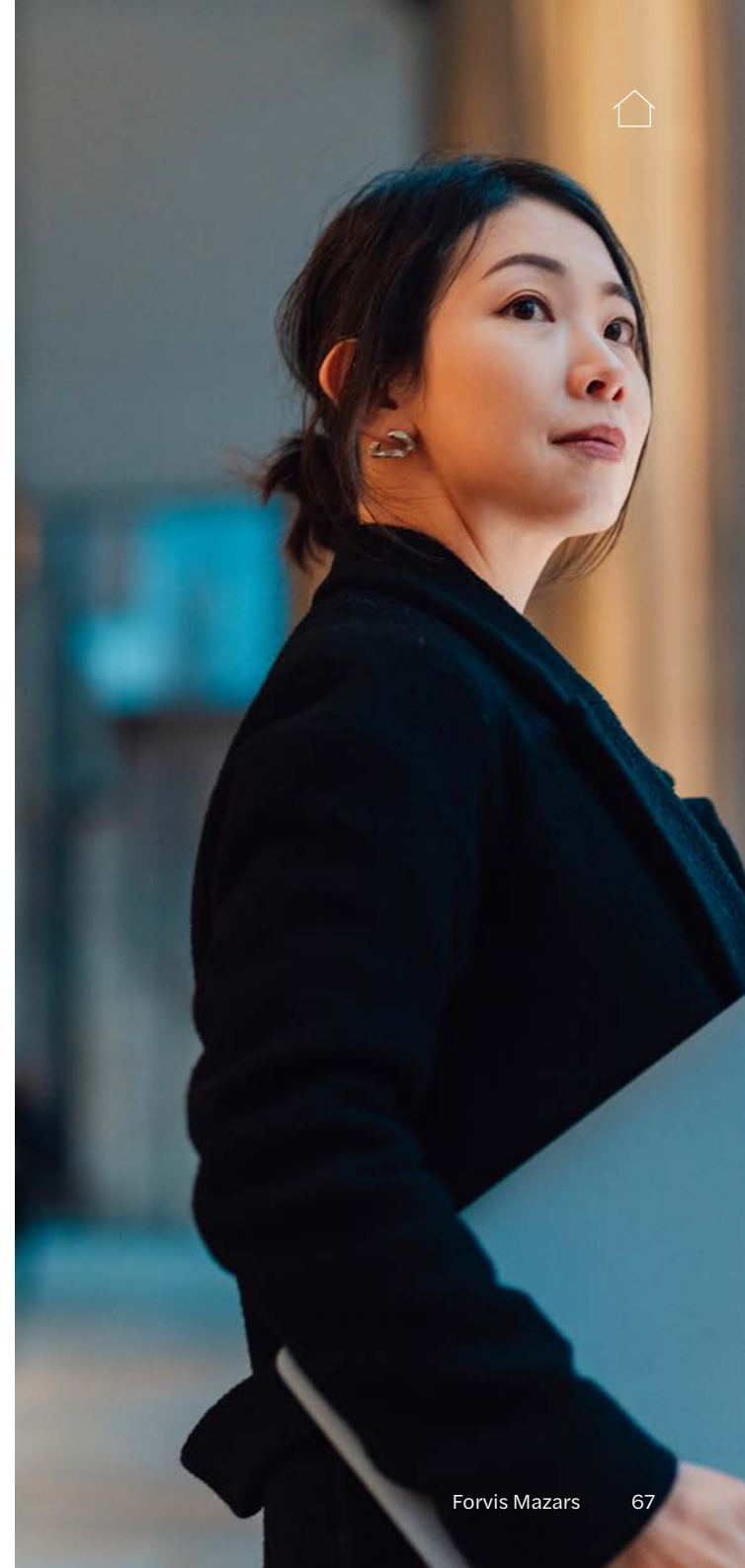
Notes to the consolidated financial statements

Note 6: Intangible assets and property, plant and equipment

Client relationships and goodwill by operating segment:

In thousands of euros	31 August 2023 restated		31 August 2024	
	Client relationships	Goodwill	Client relationships	Goodwill
Total Europe	36,484	44,454	44,898	44,356
Europe G4	36,284	43,690	44,782	43,782
Europe without G4	200	763	116	574
North America	669	597	579	586
Asia-Pacific	8,445	13,249	8,188	13,513
Africa	376	440	207	423
Central Eastern Europe	596		458	
Central South America		3,628		3,192
Middle East		149		93
Total	46,569	62,517	54,331	62,164

The main amounts disclosed in the consolidated statement of financial position relate to France. In France, they mainly originated in the 1 September 1995 business combination between Cabinet Robert Mazars and Guérard-Viala, and from acquisitions made in recent years in different service lines.





Note 6: Intangible assets and property, plant and equipment

6.2 Property, plant and equipment

Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and any recognised impairment losses.

Where necessary, the total cost of an asset is divided into its component parts, which are subject to different estimated useful lives. Each component is separately accounted for and depreciated over its applicable useful life.

Assets are subject to straight-line depreciation over their estimated useful lives. The most common depreciation periods are as follows:

- Fixtures and fittings: seven to ten years.
- Vehicles: three to five years.
- Furniture and office equipment: three to ten years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

IFRS 16

The standard stipulates the recognition of any leases on the balance sheet of the lessees, with the recognition of an asset (representing the right-of-use (RoU) of the leased asset for the term of the lease) and of a debt (arising from the obligation to pay rent). In the income statement, depreciation of RoU assets is presented separately from the interest expenses on lease liabilities. In the statement

of cash flows, cash outflows relating to interest expenses impact operating cash flows, while repayment of lease liabilities impacts financing cash flows.

The Group applies the two exemptions provided for in IFRS 16, concerning leases with a term of 12 months or less that are not tacitly renewable and leases where the value, when new, of the underlying asset is less than approximately €5,000.

The Group applies IFRS 16 only for the real estate leases because the other types of leases are not material (see note 6.4).

The depreciations are calculated on a straight-line basis over the term of the contract.

Note 6: Intangible assets and property, plant and equipment

Property, plant and equipment may be broken down as follows:

In thousands of euros	31 August 2023 restated	IFRS 16 contracts evolution	Acquisitions	Depreciations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2024
Gross values									
Right-of-use - IFRS 16	400,609	126,141				- 284	984	2,158	529,608
Fixtures and fittings	101,053		30,132		- 3,778	874	- 9,611	1,138	119,809
Vehicles and other items	7,692		1,733		- 772		-	- 69	8,584
Furniture and office equipment	114,826		16,939		- 4,052	928	8,309	- 216	136,734
Total	624,180	126,141	48,805		- 8,602	1,518	- 317	3,011	794,735
Amortisations and provisions									
Right-of-use - IFRS 16	- 170,283	23,636		- 62,722		74	- 59	- 689	- 210,043
Fixtures and fittings	- 57,664	1		- 8,720	2,280	- 706	4,697	- 753	- 60,865
Vehicles and other items	- 4,404			- 1,251	653	-	- 43	44	- 5,001
Furniture and office equipment	- 77,238	- 6		- 17,771	4,348	- 703	- 3,642	150	- 94,861
Total	- 309,589	23,631		- 90,464	7,281	- 1,335	953	- 1,248	- 370,771
Net values									
Right-of-use - IFRS 16	230,325	149,777		- 62,722		- 210	925	1,469	319,564
Fixtures and fittings	43,389	1	30,132	- 8,720	- 1,498	168	- 4,914	386	58,944
Vehicles and other items	3,287		1,733	- 1,251	- 118	-	- 43	- 25	3,583
Furniture and office equipment	37,588	- 6	16,939	- 17,771	296	225	4,667	- 66	41,873
Total	314,590	149,772	48,805	- 90,464	- 1,320	183	635	1,763	423,964

The column 'IFRS 16 contracts evolution' represents the new contracts engaged during the year (gross value) minus the end of contracts during the year (gross value and amortization).

Note 6: Intangible assets and property, plant and equipment

Acquisitions of property, plant and equipment amounting to €48.8m are essentially related to:

- €16.5m from France for the future Paris headquarters.
- €16m from Germany, France and United Kingdom principally major investments in IT hardware and equipment.
- €3.5m from United Kingdom for the fourth-floor expansion in London.

The remainder relates to the purchase of computer equipment and the partial renewal of existing computer infrastructure, as well as the renovation and refurbishment of office premises.

IFRS 16 disclosure information:

	In thousands of euros	31 August 2023 restated	31 August 2024
Assets	Right-of-use IFRS 16	400,609	529,608
	Depreciation and cut off	- 174,770	- 213,300
	Net right-of-use IFRS 16	225,838	316,307
Liabilities	Long-term debt	197,400	285,240
	Current debt	51,288	59,761
	Total IFRS 16 debt	248,688	345,001
	Provision	132	134
P&L	Rent paid		63,703
	Amortisation of right-of-use	- 57,067	- 62,722
	Interest IFRS 16	- 6,486	- 7,118
	Gain or loss on exchange	- 53	23
	Gain on exchange		23
	Losses on exchange		
	Income or loss from disposal of tangible assets	- 318	266
	Income		6,952
	Losses		- 6,686
	Other expense		
	Expenses	- 63,924	- 69,550

In total, there were 302 active real estate commitments under IFRS 16 in all the Forvis Mazars countries. For the 2023/2024 financial year, 56 countries have leased properties that fall within the scope set by the Group.

Notes to the consolidated financial statements

Note 6: Intangible assets and property, plant and equipment

The new contracts for the year – IFRS 16 represent a total asset of €156.6m mainly explained in six countries:

New contracts	Total : €156.6m
France	€95.1m
Switzerland	€12.5m
United Kingdom	€8.5m
Germany	€5.9m
Hong-Kong	€5.7m
Czech Republic	€5.4m
Other countries	€23.5m

The higher amounts of net RoU are in France, the United Kingdom and Germany: The following six countries explain 76.3% of the net RoU– IFRS 16:

Country	Percentage of the net right-of-use
France	36.8%
United Kingdom	16.9%
Germany	10.3%
Netherlands	5.0%
Switzerland	4.1%
Italy	3.2%
Other countries	23.7%



Note 6: Intangible assets and property, plant and equipment

As of 31 August 2023, Property, plant, and equipment may be broken down as follows:

In thousands of euros	31 August 2022	IFRS 16 contracts evolution	Acquisitions	Depreciations	Disposals	Changes in consolidation scope	Others	Foreign currency gains and losses	Exiting firm	31 August 2023 restated
Gross values										
Right-of-use - IFRS 16	509,727	22,652	1			- 625	- 123	- 16,037	- 114,985	400,609
Fixtures and fittings	113,309		14,127		- 4,568	141	- 3,063	- 2,835	- 16,058	101,053
Vehicles and other items	6,460		1,832		- 523	154	5	- 236		7,692
Furniture and office equipment	127,400		21,555		- 17,604	371	2,150	- 3,450	- 15,596	114,826
Total	756,895	22,652	37,515		- 22,695	41	- 1,031	- 22,558	- 146,639	624,180
Amortisations and provisions										
Right-of-use - IFRS 16	- 154,876	15,801		- 67,038	19	1,152	73	4,736	29,850	- 170,283
Fixtures and fittings	- 58,633			- 8,189	4,275	- 64	905	1,131	2,912	- 57,664
Vehicles and other items	- 3,988			- 950	488	- 76	- 5	127		- 4,404
Furniture and office equipment	- 85,122			- 17,102	17,371	- 256	- 238	1,991	6,119	- 77,238
Total	- 302,620	15,801		- 93,280	22,153	756	735	7,985	38,880	- 309,589
Net values										
Right-of-use - IFRS 16	354,850	38,453	1	- 67,038	19	527	- 50	- 11,301	- 85,136	230,325
Fixtures and fittings	54,676		14,127	- 8,189	- 293	77	- 2,158	- 1,704	- 13,146	43,389
Vehicles and other items	2,471		1,832	- 950	- 35	78		- 109		3,287
Furniture and office equipment	42,277		21,555	- 17,102	- 233	115	1,912	- 1,459	- 9,476	37,588
Total	454,275	38,453	37,515	- 93,280	- 542	797	- 296	- 14,573	- 107,758	314,590

Note 6: Intangible assets and property, plant and equipment

6.3 Impairment of intangible assets and property, plant and equipment

Accounting policies

In accordance with IAS 36, intangible assets and property, plant and equipment are subject to impairment testing whenever there is an indication that the value of an asset has been impaired.

Assets subject to impairment tests are included in cash-generating units (CGUs) corresponding to linked groups of assets which generate identifiable cash flows. The smallest independent CGU is the country in which the applicable acquisition took place.

Impairment testing is performed by comparing the recoverable amounts and carrying amounts of the CGU with which the goodwill is associated.

The recoverable amount of a CGU is the higher of fair value (usually the arm's length price that might be expected to apply to a sale, e.g., based on the multiples of earnings observed in recent transactions for similar assets) net of selling costs and value in use. Value in use is determined by discounting future cash flows to their present value. The future cash flows discounted are those reflected in the annual budgets, and long-range plans, prepared for each CGU by each country's Executive Committee and approved by the Group Executive Board.

The calculation is based on the present value of an estimate of three years' future cash flows plus a terminal value reflecting a growth rate into

perpetuity. The discount rate considers the current market expectations of the time value of money and the specific risks related to each CGU. The after-tax rate is applied to after-tax cash flows and corresponds to the weighted average cost of capital. This rate derives from the specific rates applied to each CGU.

When the carrying amount of a CGU exceeds its recoverable amount, considering the Group's principles of internal solidarity, the assets of the CGU unit are written down to their recoverable value. Any impairment is first recognised against goodwill and is accounted for in the consolidated income statement.

As of 31 August of 2024 and 2023, no indication of impairment was identified on intangible and tangible assets and no impairment has been accounted for. The annual test on goodwill also concluded that no impairment had to be accounted for.

Note 6: Intangible assets and property, plant and equipment

6.4 Leases

Lease payments under the contracts that are beyond the scope of IFRS 16 are recognised under 'Other costs' in the consolidated income statement, on a straight-line basis over the duration of each contract. Commitments related to these lease contracts are shown below:

In thousands of euros	31 August 2023 restated	31 August 2024	Less than 1 year	1 year to 5 years	More than 5 years
Car rentals	8,733	13,420	4,477	8,943	
Office equipment	1,262	1,198	440	758	
IT equipment	15,703	12,569	9,519	3,050	
Rent costs (< 12 months)	21	19	19		
Minimum rent	25,719	27,206	14,455	12,751	



Note 7: Financing and financial instruments

7.1 Accounting policies applicable to financial instruments

Accounting policies

Financial instruments are financial assets and financial liabilities held or issued for the purpose of financing the Group's activities. They mainly comprise the following items:

- Financial assets: other non-current assets (see note 7.4), trade accounts receivable (see note 4.2), cash and cash equivalents (see note 7.3) and derivative instruments with asset balances.
- Financial liabilities: current portion of partnership financing (see note 8.2), bank borrowings (see note 7.3), current bank financing (see note 7.3), trade and other payables (see note 10.2) and derivative instruments with liability balances.

Financial assets are initially recognised at fair value. At the financial year-end, they are measured either at fair value (cash and cash equivalents and derivative instruments with asset balances) or at amortised cost (trade accounts receivable and related loans) less any applicable impairment losses.

Financial assets and financial liabilities not measured at fair value at the origin are accounted for at nominal value.

No debts or receivables are accounted for at fair value. The nominal value mentioned for debts and receivables is equal to the fair value.

Cash and cash equivalents include cash in hand and in the bank as well as short-term investments (with original maturities not exceeding three months) that are immediately available as cash or are readily convertible into a known amount of cash and which are subject to an insignificant risk of change in their value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Bank loans are accounted for at amortised cost using the effective interest rate.

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Derivative financial instruments are measured and recognised at their market values as at the financial year-end. Whenever those instruments are identified in a hedging relationship, prospective and retrospective testing of its effectiveness is undertaken in line with market practices, based on market data provided by an independent supplier (Bloomberg). The effective portion of the change in the fair value of derivative instruments is recognised under non-current portion of partnership financing.

Note 7: Financing and financial instruments

7.2 Management of financial risks

The Group is financed by partners' partnership financing, by undistributed partners' remuneration (see note 8.2) and by entities' borrowings.

The management of financial risks is the primary responsibility of the Country Executive Committees (see note 1.2), under their respective scopes of intervention, and is the subject of discussion with the Group's other governance bodies depending on the magnitude and of the risk arising from the issues involved.

Group entities may be exposed to liquidity risk, foreign currency risk and counterparty risk. They make no use of speculative financial instruments and do not have any significant exposure to interest rate risk.

Management of liquidity risk

The Country Executive Committees are responsible for the operational management of member entities in their countries and therefore organise their financing, so that they are able to continue to operate as going concerns.

That financing may take many forms: equity or current account contributions by partners, bank loans, current bank financing, etc.

Management of currency risk

Each Forvis Mazars Group entity conducts almost all its transactions in the local currency of the environment in which it operates and accordingly, exposure to foreign exchange rate risk is negligible.

Management of counterparty risk

Counterparty risk is assessed by the responsible partners and by the Country Executive Committees in the case of significant transactions and decisions committing member entities. The Group's exposure is spread over a very large number of clients the failure of any one of whom would not have material consequence for the Group.

Cash and cash equivalents are deposited or invested with first-class banking institutions subject to negligible counterparty risk.

Notes to the consolidated financial statements

Note 7: Financing and financial instruments



7.3 Net financial debt

Net debt may be broken down as follows:

In thousands of euros	31 August 2023 restated	31 August 2024
Long-term borrowings - current - IFRS 16	51,287	59,761
Long-term borrowings - non-current - IFRS 16	197,400	285,240
Long-term borrowings - IFRS 16	248,688	345,001
Long-term borrowings - current	39,233	37,107
Long-term borrowings - non-current	58,191	87,286
Long-term borrowings	97,424	124,393
Financial debts	346,111	469,395
Cash and cash equivalents	- 224,869	- 177,653
Current bank financing	7,617	10,862
Net Cash	- 217,252	- 166,791
Net borrowings	128,859	302,604
Net debt excluding IFRS 16	- 119,828	- 42,398

Notes to the consolidated financial statements

Note 7: Financing and financial instruments



Net debt may be broken down as follows:

By type of instrument and currency (excluding IFRS 16)

In thousands of euros	Borrowings and other financial liabilities		Net cash position		Net borrowings	
	31 August 2023 restated	31 August 2024	31 August 2023 restated	31 August 2024	31 August 2023 restated	31 August 2024
EUR	61,967	92,802	- 99,955	- 73,061	- 37,988	19,741
USD	313	274	- 6,353	- 5,114	- 6,040	- 4,839
GBP	2,389	2,306	- 40,678	- 26,150	- 38,289	- 23,844
SGD	199	209	- 3,919	- 3,485	- 3,720	- 3,275
ZAR	2,734	2,391	- 2,229	- 1,471	505	920
Other currencies	29,822	26,411	- 64,117	- 57,512	- 34,296	- 31,101
Total	97,424	124,393	- 217,252	- 166,791	- 119,828	- 42,398

Notes to the consolidated financial statements

Note 7: Financing and financial instruments



By cash flow

In thousands of euros	31 August 2023 restated	IFRS 16 contracts evolution	Cash from loans	Debt redemption	Variations in cash	Change in consolidation scope	Others	Foreign currency gains and losses	31 August 2024
Long-term borrowings - current IFRS 16	51,287	1,421		- 55,435		- 23	62,374	137	59,761
Long-term borrowings - non-current IFRS 16	197,400	148,662		- 742		- 209	- 61,491	1,621	285,240
Long-term borrowings IFRS 16	248,688	150,083		- 56,178		- 232	882	1,758	345,001
Long-term borrowings - current	39,233		12,900	- 15,564		1,311	- 313	- 460	37,107
Long-term borrowings - non-current	58,191		39,040	- 8,682		- 23	- 1,316	77	87,286
Long-term borrowings	97,424		51,940	- 24,246		1,288	- 1,630	- 382	124,393
Financial debts	346,111	150,083	51,940	- 80,424		1,056	- 747	1,376	469,395
Cash and cash equivalents	- 224,869				49,250	- 2,881		846	- 177,653
Current bank financing	7,617				3,095	4		146	10,862
Net Cash	- 217,252				52,345	- 2,877		992	- 166,791
Net borrowings	128,859	150,083	51,940	- 80,424	52,345	- 1,821	- 747	2,368	302,604
Net debt excluding IFRS 16	- 119,828		51,940	- 24,246	52,345	- 1,589	- 1,630	610	- 42,398

'IFRS 16 contracts evolution' represents the new contracts and the end of agreements during the year 2023/2024.

The financial debts have increased by €123m as the IFRS 16 debt increased by €96m and the long-term borrowing increased by €27m.

The net debt excluding IFRS 16 decreased by €77m.

The €51.9m of cash from loans mainly reflects the new borrowings for:

- €30m by France, for financing external growth and Paris headquarters.
- €15m by Germany, corresponding to IT equipment acquisition and working capital financing.

The €24m decrease in bank loans mainly reflects repayments of €12m by France, €1.5m by Germany and €1m by Mexico.

Notes to the consolidated financial statements

Note 7: Financing and financial instruments



By maturities

In thousands of euros	31 August 2024	Current	Non-current	2 to 5 years	+5 years
Long-term borrowings - current - IFRS 16	59,761	59,761			
Long-term borrowings - non-current - IFRS 16	285,240		285,240	160,867	124,374
Long-term borrowings - IFRS 16	345,001	59,761	285,240	160,867	124,374
Long-term borrowings - current	37,107	37,107			
Long-term borrowings - non-current	87,286		87,286	74,409	12,877
Long-term borrowings	124,393	37,107	87,286	74,409	12,877
Financial debts	469,395	96,868	372,527	235,276	137,251
Cash and cash equivalents	- 177,653	- 177,653			
Current bank financing	10,862	10,862			
Net Cash	- 166,791	- 166,791			
Net borrowings	302,604	- 69,923	372,527	235,276	137,251
Net debt excluding IFRS 16	- 42,398	- 129,684	87,286	74,409	12,877



By operating segment (excluding IFRS 16)

In thousands of euros	31 August 2023 restated	31 August 2024
Total Europe	- 82,238	- 4,789
Europe G4	- 31,699	33,874
Europe without G4	- 50,540	- 38,663
North America	978	250
Asia-Pacific	- 20,758	- 23,930
Africa	- 5,256	- 6,078
Central Eastern Europe	- 11,158	- 9,700
Central South America	3,228	4,481
Middle East	- 4,625	- 2,632
Net borrowings	- 119,828	- 42,398



Note 7: Financing and financial instruments

7.4 Other non-current assets

Other non-current assets comprise investments in non-consolidated entities, loans, and guarantee deposits. As of 31 August 2024 and 2023, other non-current assets may be broken as follows:

In thousands of euros	31 August 2023 restated	Acquisitions	Amortisations / Reversal	Reimbursements	Accounting method change	Changes in consolidation scope	Others	Foreign currency gains and losses	31 August 2024
Gross values									
Shares in non-consolidated companies	3,975	18,552		- 42		- 23,432	2,697	-	1,751
Loans	826	202		- 312		-	- 652	- 10	54
Deposits and guarantees	6,116	1,220		- 497	- 68	198	260	- 98	7,132
Other long-term investments	8,113	914		- 685		79	310	39	8,769
Total	19,031	20,888		- 1,536	- 68	- 23,155	2,615	- 69	17,707
Depreciations									
Shares in non-consolidated companies	- 118		- 80						- 197
Loans									
Deposits and guarantees	- 8					- 15			- 22
Other long-term investments	- 484		24					- 4	- 464
Total	- 609		- 56			- 15		- 4	- 684
Net values									
Shares in non-consolidated companies	3,858	18,552	- 80	- 42		- 23,432	2,697		1,554
Loans	826	202		- 312		-	- 652	- 10	54
Deposits and guarantees	6,109	1,220		- 497	- 68	183	260	- 98	7,110
Other long-term investments	7,629	914	24	- 685		79	310	35	8,305
Total	18,421	20,888	- 56	- 1,536	- 68	- 23,170	2,615	- 73	17,023

Note 7: Financing and financial instruments

In thousands of euros	31 August 2022	Acquisitions	Amortisations / Reversal	Reimbursements	Accounting method change	Changes in consolidation scope	Others	Foreign currency gains and losses	Exiting firm	31 August 2023 restated
Gross values										
Shares in non-consolidated companies	1,161	7,980		- 1,624		- 3,049	- 475	- 19		3,975
Loans	967	321		- 640		110	- 239	420	- 112	826
Deposits & guarantees	6,801	640		- 849	- 16	35	- 1	- 360	- 133	6,116
Other long-term investments	9,260	703		- 1,016		2	- 781	- 55		8,113
Total	18,190	9,643		- 4,129	- 16	- 2,903	- 1,496	- 13	- 245	19,031
Depreciations										
Shares in non-consolidated companies	- 231		923				- 813	3		- 118
Loans										
Deposits & guarantees	- 8							1		- 8
Other long-term investments	- 499		2					13		- 484
Total	- 737		924				- 813	17		- 609
Net values										
Shares in non-consolidated companies	931	7,980	923	- 1,624		- 3,049	- 1,288	- 15		3,858
Loans	967	321		- 640		110	- 239	420	- 112	826
Deposits & guarantees	6,793	640		- 849	- 16	35	- 1	- 359	- 133	6,109
Other long-term investments	8,761	703	2	- 1,016		2	- 781	- 42		7,629
Total	17,453	9,643	924	- 4,129	- 16	- 2,903	- 2,309	3	- 245	18,421



Notes to the consolidated financial statements

Note 8: Shareholders' equity and partnership financing



8.1 Shareholders' equity

Accounting policies

The shareholders' equity disclosed in the consolidated statement of financial position uniquely comprises the equity of the consolidating entity, Forvis Mazars Group SC, since the equity of the other Forvis Mazars entities, which is entirely held by the partners (see note 1.2), is treated as debt under IFRS and, by virtue of the provisions of the partnership charter applicable to departing partners, is included in the consolidated statement of financial position within the non-current portion of total partnership financing.

8.2 Partnership financing

Accounting policies

Partners' contributions to the partnership financing of entities (see note 1.2) are included in the consolidated statement of financial position within the non-current portion of total partnership financing.

The portion of their remuneration deferred until after the financial year-end is included in the consolidated statement of financial position within the current portion of total partnership financing.

Note 8: Shareholders' equity and partnership financing

Total partnership financing may be broken down as follows:

In thousands of euros	31 August 2023 restated	Increases	Decreases	Amortisations	Changes in consolidation scope	Others	Recycling to profit and loss	Foreign currency gains and losses	31 August 2024
Shareholder's equity of operating entities	41,034			- 1	- 7,875	7,376		551	41,085
Blocked current account balances	124,772	22,177			- 176	- 2,444		711	145,041
Bonds issued	36,433	1,505	- 1,024			- 3,857		- 262	32,797
Other comprehensive income	- 5,364				- 100	- 83	- 1,146	- 31	- 6,723
Currency translation adjustments	- 256				3,146	- 52		- 367	2,471
Partnership financing	196,620	23,682	- 1,024	- 1	- 5,005	941	- 1,146	603	214,671
Provisions for post-employment benefits	17,009			1,888	- 50	- 819	- 238	- 210	17,580
Deferred tax (net)	- 16,908		- 2,309		- 481	134	- 41	527	- 19,077
Partnership financing - non-current	196,721	23,144	- 3,332	1,887	- 5,536	257	- 1,426	920	213,174
Partnership financing - current	219,817	168	- 1,614	38	- 835	7,542		- 352	224,762
Reserves for future business investments	24,247	10,000	- 16,425						17,822
Total partnership financing	440,785	33,312	- 21,372	1,925	- 6,371	7,799	- 1,426	568	455,758

In accordance with the Forvis Mazars agreements, the financing of each entity and each subsidiary is provided by the partners controlling them.

The impact of "Other comprehensive income" reflects the actuarial gains and losses for post-employment benefit obligations for both partners and staff recognised on application of IAS 19 (revised) during the 2013/2014 financial year.

€1.4m of the change in "Other comprehensive income" (see note 9.1) relates to non-partners.

The effect of the exchange rate included in "Provisions" is attributable to the increase in the applicable discount rate (cf. note 5.2).

As of 31 August 2024, "post-employment and similar obligations towards partners" includes €10m of retirement benefits for French partners payable when they retire.

Notes to the consolidated financial statements

Note 9: Provisions and contingent liabilities



9.1 Provisions

Accounting policies

Litigation is kept under regular review, on a case-by-case basis, by the legal department of each member firm or by the Group's legal department, drawing on the help of external legal consultants in the most significant or complex cases.

A provision is recognised when:

- The Group has a present obligation (legal or implied) resulting from a past event.
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- The amount of the obligation can be reliably estimated.

Where the effect of the time value of money is significant, provisions are discounted. The increase in provisions relating to the passing of time is accounted for as a financial cost.

The Group's provisions may be broken down as follows:

In thousands of euros	31 August 2023 restated	Additions	Reversals	Changes in consolidation scope	Revaluation OCI	Others	Foreign currency gains and losses	31 August 2024
Professional risks	11,448	1,292	- 3,966	70			48	8,892
Post-employment benefit liabilities (excluding partners)	28,026	2,947	- 2,930	363	1,430	- 34	27	29,829
Vacant properties	3,397	323	- 198			2,513	21	6,055
Other risks	19,833	2,490	- 5,555	37		- 2,131	- 228	14,445
Total	62,704	7,052	- 12,649	469	1,430	348	- 132	59,221

Post-employment benefit liabilities (except for partners) include €30m of lump-sum benefits payable at the date of retirement.

Notes to the consolidated financial statements

Note 9: Provisions and contingent liabilities

The current and non-current portions of provisions are as follows:

In thousands of euros	31 August 2024	Current portion	Non-current portion
Professional risks	8,892	8,560	332
Post-employment benefit liabilities (excluding partners)	29,829	2,604	27,225
Vacant properties	6,055	1,726	4,329
Other risks	14,445	10,396	4,050
Total	59,221	23,285	35,936

The balance of €8.9m of professional risks can be explained principally by:

- €3.8m in the United Kingdom, for potential legal claims against the firm regarding work carried out or advice provided.
- €3.4m in France, for legal expenses (client and employee claims).

The balance of €10.4m for other risks current part mainly corresponds to:

- €3.6m in France
- €2.2m in Germany

The non-current part of other risks for €4m is split into fourteen different countries.

9.2 Contingent liabilities

Group entities may be subject to a certain number of professional risks inherent in the exercise of audit, advisory and other financial services. To mitigate those risks, the entities subscribe insurance cover.

As of 31 August 2024, provisions have been recognised for the Group's uninsured professional risks that meet the criteria for recognition of a liability as provided by IAS37.

Risks not meeting these criteria may constitute contingent liabilities. As of 31 August 2024, any such risks have not been judged material.



Note 10: Other current assets and trade and other payables



10.1 Other current assets

Accounting policies

Amounts recorded as other current assets are measured at their face value, given that the interest component is negligible.

The Group's other current assets may be broken down as follows:

In thousands of euros	31 August 2023 restated	31 August 2024
Social security receivables	3,009	2,182
Tax receivables	26,522	27,794
Current accounts and other receivables	18,371	20,258
Prepaid expenses	44,184	47,438
Unrealised foreign exchange losses	107	45
Total	92,193	97,716

10.2 Trade and other payables

Accounting policies

The interest component being negligible, trade and other payables are recorded at their nominal amount.

Payroll liabilities consist of liabilities towards employees and social organisations.

Tax payable relates to operating taxes and levies.

Payroll liabilities and tax payable are recorded at the amount the Group expects to pay to the parties these are due to.

The Group's trade and other payables may be broken down as follows:

In thousands of euros	31 August 2023 restated	31 August 2024
Trade and other payables	239,100	238,083
Payroll liabilities	183,638	204,550
Tax payable	92,669	96,409
Total	515,407	539,042



Note 11: Corporate income tax

Accounting policies

Surpluses are taxed in accordance with the requirements of the countries in which they are generated: i.e., either in the name of the relevant entity (principally in the case of limited liability companies subject to corporate income tax and for the portion of the surplus which is not composed of tax-deductible costs) or in the name of its partners (principally in the case of partnerships).

Due to the specific functioning of Forvis Mazars' partnership model (see note 1.2), corporate income tax with respect to the Group's entities is included within "Surplus allocated to partners" for the portion considered as an element of partners' remuneration. This relates to corporate tax payable at the expense of partners.

The portion of corporate tax which is not considered as an element of partners' remuneration is payable at the expense of the Group. It is thus included under "Other costs".

Consequently, the tax disclosed in the consolidated income statement is limited to the tax payable by Forvis Mazars Group SC, and the deferred tax related to the surplus not allocated to the partners.

11.1 Current tax

Current tax payable by the Group's entities may be broken down as follows:

In thousands of euros	2022/2023 restated	2023/2024
Tax payable by partners	22,881	24,972
Tax payable by the Group	6,589	6,391
Tax payable by Mazars SC		
Total	29,470	31,363

11.2 Deferred tax

Accounting policies

Deferred tax is recognised on temporary differences between the tax and book values of assets and liabilities in the consolidated statement of financial position and is measured using the balance sheet liability method based on the tax rates applicable at the financial year-end.

The carrying amount of deferred tax assets is reviewed at each financial year-end and reduced when it is no longer likely that sufficient taxable profits will be available to allow their use in full or in part.

The Group's deferred tax assets and liabilities were as follows:

In thousands of euros	2022/2023 restated	2023/2024
Deferred tax assets	19,088	21,479
Deferred tax liabilities	- 2,179	- 2,401
Total	16,908	19,077

Deferred tax assets are primarily generated by elements of partners' remuneration (provisions for post-employment benefit obligations).

Deferred tax liabilities relate to amortisable client relationships, for which the requisite financing is provided by the partners, and to deferred tax on the surplus not allocated to partners.

Net deferred tax assets are thus treated as a deduction from the non-current portion of partnership financing (see note 8.2).



Note 12: Consolidated statement of cash flows

12.1 Net cash generated by operating activities

Net cash generated by operating activities amounted to €35m (compared with €87.9m as of 31 August 2023) and comprises:

- €101.6m self-financing capacity, minus
- €66.6m of increase in working capital requirements.

12.2 Net cash used in investing activities

The main components of the net cash outflows of €81.9m (against €59.4m as of 31 August 2023) for investment comprise:

- The acquisition of intangible assets mainly in the form of IT equipment, client relationship and computer software purchased or developed (see note 6.1).
- The acquisition of property, plant, and equipment mainly in the form of computer equipment, partial renewal of computer infrastructure and the renovation and refurbishment of office premises (see note 6.2).
- The acquisition of share in group companies considering the cash acquired of those companies.
- The acquisition of non-current financial assets in the form of deposits and guarantees (see note 7.4).

12.3 Net cash from financing activities

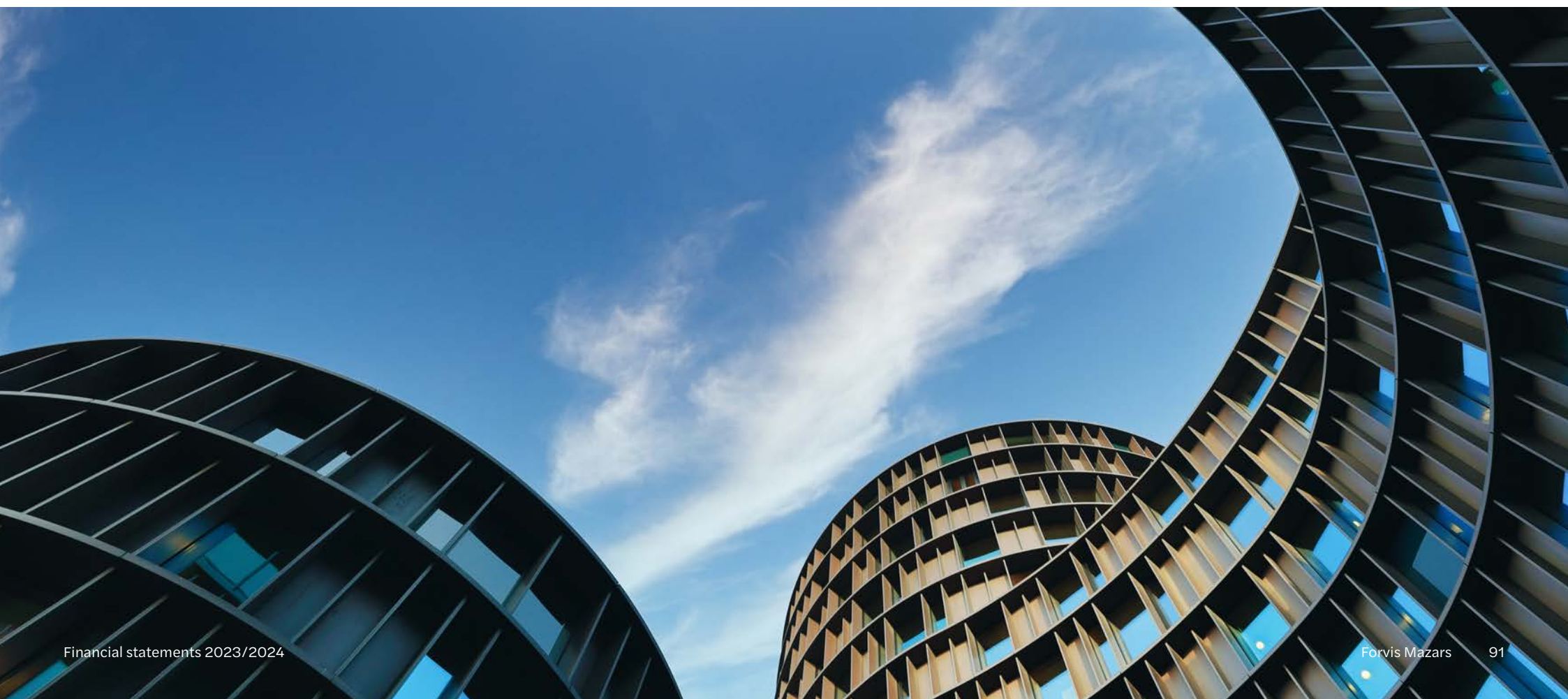
The main components of the net cash outflows of €2.5m (against €17.1m as of 31 August 2023) for financing activities comprises:

- €24.2m increase of partnership financing (see note 8.2).
- €51.9m in new borrowings to finance both development and investment, and €24.2m for repayment of bank loans (see note 7.3).
- €56.2m for repayment of long-term debt in accordance with IFRS 16.



Note 13: Surplus allocated to members of the Group Executive Board and the Group Governance Council

The surplus allocated to the 11 members of the Group Executive Board, the executive body of Forvis Mazars Group SC, and to the members of the Group Governance Council (12 members, including two who left during the financial year), amounted to €14.7m for the 2023/2024 financial year, including €5.3m allocated by the Group for their role in Group governance. It was either paid during the financial year or constituted a current liability at the end of the period, presented in 'Partners financing – current'. Those members are the only Forvis Mazars related parties as defined by IAS 24.



Notes to the consolidated financial statements

Note 14: Off-balance sheet commitments relating to Group financing



At year-end, the total amount of guarantees granted by the Group were:

In thousands of euros	31 August 2023 restated	31 August 2024
Guarantees provided	20,384	21,001



Independent auditor's report



To the partners of Forvis Mazars Group SC

In compliance with the terms of our engagement letter dated on 17 July 2024, we have audited the consolidated financial statements of Forvis Mazars Group SC and the entities that form the Forvis Mazars Group partnership (the "Partnership"), which comprise the consolidated statement of financial position as at 31 August 2024 showing a total consolidated balance sheet of € (000) 1,539,726, and the consolidated income statement showing a consolidated allocated surplus of € (000) 433,845, consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information (notes 1 to 14).

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Forvis Mazars Group SC and the entities that form the Partnership as at 31 August 2024 and of its financial performance and cashflows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit

of the financial statements section of our report. We are independent of the Company within the meaning of the IFAC Code of Ethics for Professional (IESBA) 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.

Group Executive Board's Responsibilities for the Consolidated Financial Statements

The Groups Executive Board is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal controls as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Group Executive Board is responsible for assessing the Partnership'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 management either intends to liquidate the Partnership or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 International Standards on Auditing 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the planning and performance of the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Partnership to express an opinion on the consolidated financial statements.

Brussels and London, 27 November 2024



RSM InterAudit SRL

Luis Laperal

Belgium



Crowe U.K. LLP

Matthew Stallabrass

United Kingdom



Contact

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Forvis Mazars Group SC is an independent member of Forvis Mazars Global, a leading professional services network. Operating as an internationally integrated partnership in over 100 countries and territories, Forvis Mazars Group specialises in audit, tax and advisory services. The partnership draws on the expertise and cultural understanding of over 40,000 professionals across the globe to assist clients of all sizes at every stage in their development. Visit forvismazars.com to learn more.

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