ANNUAL REPORT 2014 • 2015

CREATING
FINANCIAL
SHARED
DOCUMENTS
VALUE

GROUP EXECUTIVE BOARD REPORT
GROUP GOVERNANCE COUNCIL REPORT
CONSOLIDATED FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT
TRANSPARENCY REPORT

MAZARS

SUMMARY

FOREWORD

2015 marks the **20th anniversary of our international integrated partnership.** It also marks the continuation – and the acceleration – of our growth, with a global turnover of 1,252.7 million Euros, **up 15.9 % from last year.**

This *double* milestone – in terms of both longevity and economic efficiency – fortifies our belief that we've created a **solid multigenerational business model**, founded on key values and capable of adapting, all in line with the initial spirit of its founders.

In 2015, we are present, with **improved service capabilities,** in the world's great economies of today and tomorrow. The **diversity of our talent and expertise** coupled with the solidity of our democratic governance model enable us to confidently look ahead to the future challenges that we will face in order to further grow and prosper.

As we have done with the utmost transparency since 2005, we publish hereafter our consolidated accounts, presented under IFRS standards and certified by two independent auditors. We want to apply to ourselves the discipline that is applied to our clients and to provide the economic community with all the information that is necessary for clearly understanding who we are and what we do.

Mazars is thus starting off the 2015-2016 year on solid ground with a reinforced business model, reasserted values and a renewed confidence in our potential to grow. We certainly intend to pursue our development and we have given ourselves the means to do so, while always keeping in mind that we are serving the public interest.

Our annual report is made up of two documents: the **Yearbook,** where we depict both the principles by which we abide and the ways we create value; and this document, which compiles our **financial statements** and other pertinent documents.

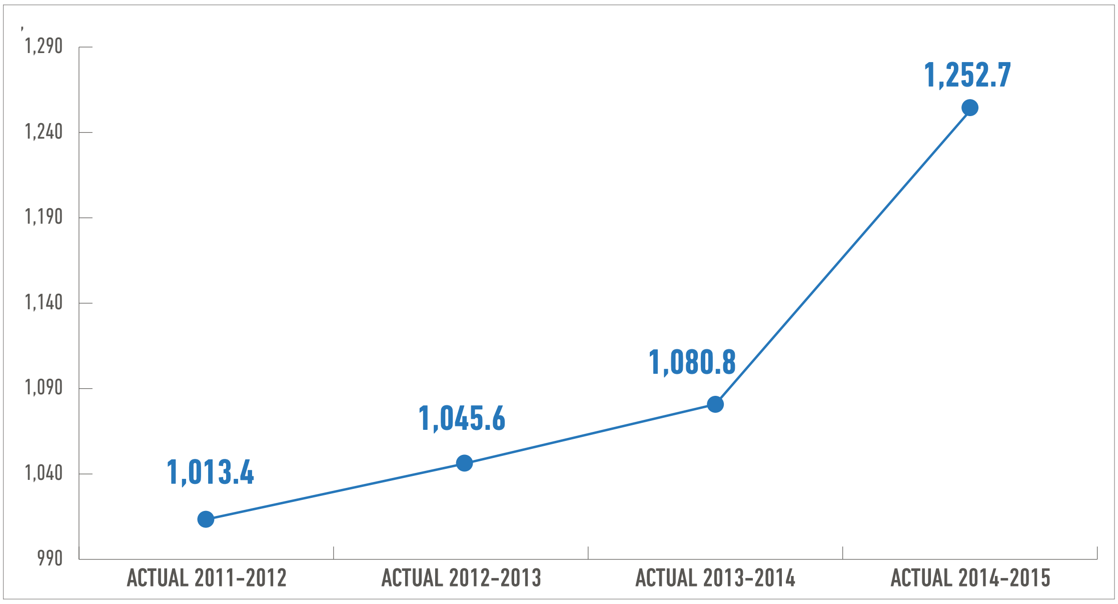
Philippe Castagnac

Chairman & CEO of the Mazars Group

EXECUTIVE SUMMARY

Over the past year, Mazars has delivered an accelerated growth. Despite the uneven economic situation and political unrest in the world, Mazars has, once again in 2014-2015 proven its robustness and its resilience in a quickly transforming industry.

AN ACCELERATED FEE INCOME GROWTH (IN MILLIONS OF EUROS)

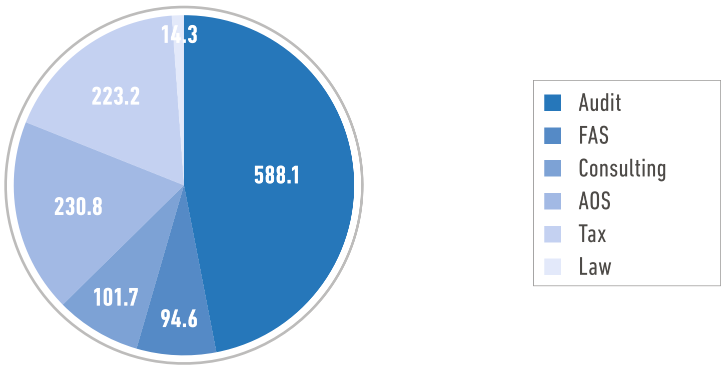


A SOLID ORGANIC GROWTH IN ALL REGIONS OF THE WORLD

	Forex 2013/2014	Forex 2014/2015		
(In millions of Euros)	Actual 2013/2014	Actual 2014/2015	Var. Actual 14/15 / vs Actual 13/14	Organic growth
TOTAL GROUP	1,080.8	1,252.7	15.9%	6.0%
Western Europe	750.7	**855.3**	**13.9%**	4.4%
North America	125.9	**159.8**	**26.9%**	6.2%
Africa & Middle East	69.8	**80.6**	**15.6%**	29.2%
Asia Pacific	56.9	**75.0**	**31.8%**	18.0%
Central & Eastern Europe	40.4	**40.2**	**-0.4%**	5.8%
Central & South America	37.2	**41.8**	**12.3%**	13.9%

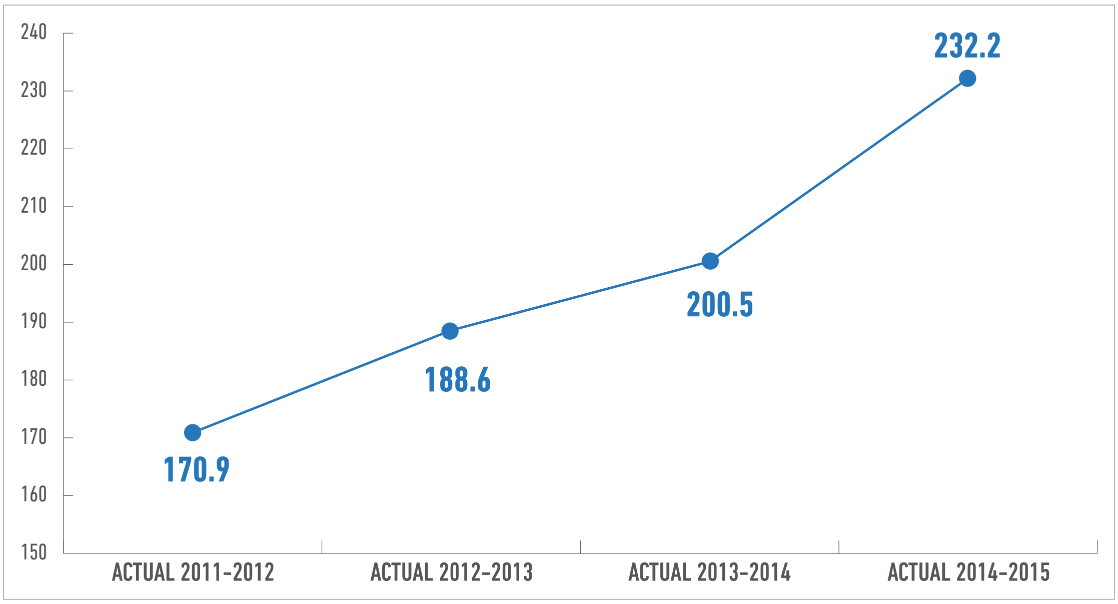
A WELL-BALANCED ACTIVITY BETWEEN AUDIT AND NON-AUDIT

Fee Income by Service Line (in millions of Euros)

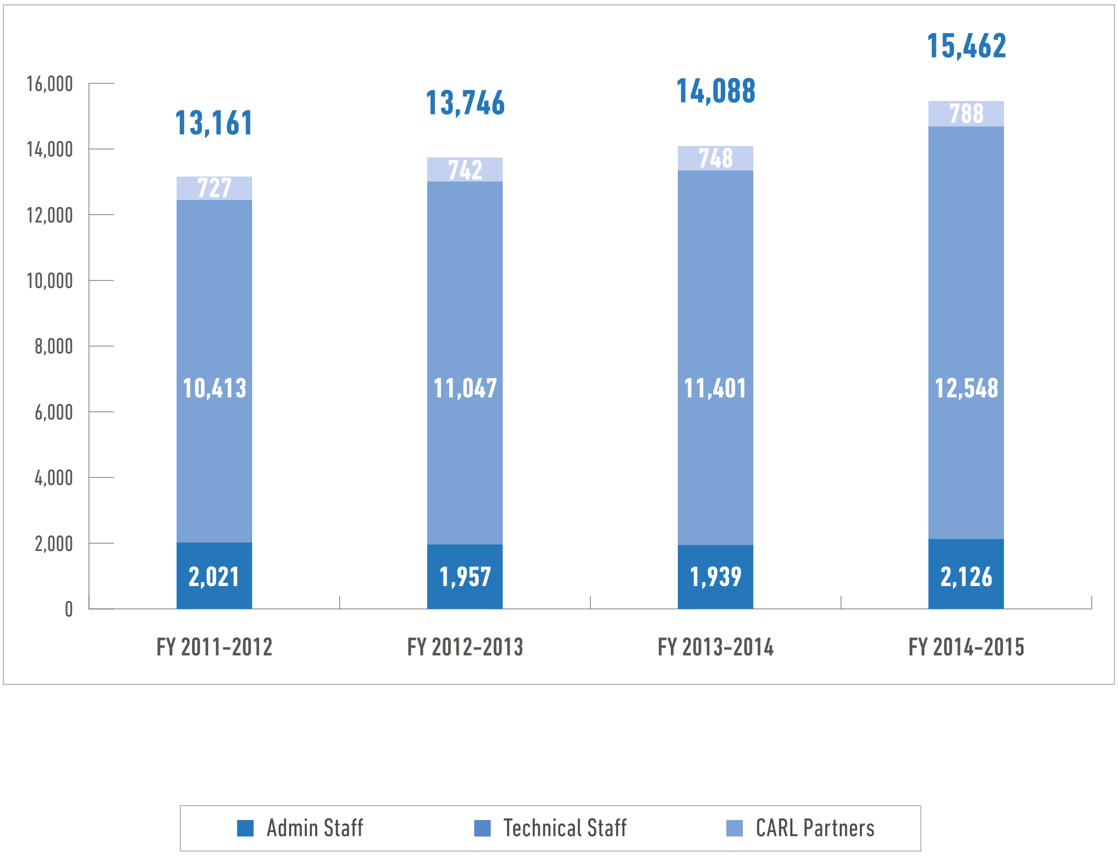


A SOLID PROFITABILITY TREND

Surplus growth (in millions of Euros)



A PERFORMANCE DELIVERED BY MORE THAN 15,000 PROFESSIONALS WORLDWIDE



A GOVERNANCE MODEL FOUNDED ON DEMOCRACY

Mazars draws its strength and singularity from its integrated and independent partnership model, founded 20 years ago in 1995. This model is founded on the democratic expression of each and every one of our partners, who together elect our governing bodies, co-opt the new women and men who come to make us collectively stronger, and approve major strategic decisions.

OUR PARTNERS: THE HEART OF THE MODEL

The Mazars adventure is a collective one on which all of our 800 partners have chosen to embark. They all share a common vision of their profession, a sense of technical and ethical excellence and the determination to offer the best services to their clients. Individually and collectively, they breathe life into the entrepreneurial spirit that is the foundation of our identity and our actions.

Our partners also share all risks and benefits and jointly make decisions regarding their common future. In this sense, they reunite at the end of each year at the General Assembly where they validate the appointment of new partners, approve the consolidated results for the year and vote on strategic and operational new measures. Every four years, the partners elect the new members of the governing bodies.

TWO GOVERNING BODIES WITH COMPLEMENTARY ROLES

Our two governing bodies have distinct roles that are defined in the Charter that outlines the functioning of our partnership.

THE GROUP EXECUTIVE BOARD

The Group Executive Board (GEB) is Mazars' executive body. It is in charge of operational management of the partnership, under the supervision of the Group Governance Council, with regard to collectively defined key strategic objectives. It focuses first and foremost on pursuing and accelerating growth, particularly by ensuring the Group's development and the feasibility, quality and sustainability of our activities.

The current Group Executive Board was elected during the partners' general assembly in December 2012. Members are elected for a four-year term. Following the integration of RBS into the Mazars international partnership, Dr. Christoph Regierer, one of RBS' senior partners, joined the GEB.

The Group Executive Board is therefore made up of seven members. Each member is responsible for overseeing operations in one of the major regions in which Mazars operates:
- Philippe Castagnac, Group CEO, Chairman of the Group Executive Board,
- Antonio Bover, Co-CEO, Managing partner of Mazars in Spain,
- Hervé Hélias, Co-CEO, Managing partner of Mazars in France,
- Christoph Regierer, Co-CEO, member of the executive board of Roever Broenner Susat Mazars in Germany,

- Hilton Saven, Co-CEO, Managing partner of Mazars in South Africa,
- Phil Verity, Co-CEO, Managing partner of Mazars in the United Kingdom,
- Victor Wahba, Co-CEO, CEO of WeiserMazars in the United States.

So as to address the new challenges faced by Mazars, and as part of the strategy established in 2012, the Group Executive Board is accompanied by, since January 2015, the following advisors:
- Thierry Colin
- Graham Durgan
- Loïc Wallaert

THE GROUP GOVERNANCE COUNCIL

Elected for the same term as the GEB, the Group Governance Council (GGC), is the Group's supervisory body.

Since December 2011, it has included two independent external members, elected by the partners at the General Assembly.

The GGC has three specific decision-making powers set out in the partnership Internal Rules: the approval of partnership candidates and external growth operations, the compensation of the members of the Group Executive Board and the approval of disciplinary action decided by the latter.

The composition of the Group Governance Council evolved during 2014-2015 in full respect of the Charter with the planned departures of Patrick de Cambourg and Doug Phillips. Following the integration of RBS into the partnership, it also welcomed two new members: Charles de Boisriou and Gregor Kunz.

As of 31 August 2015, the GGC is made up of 12 members, including two independent members:
- Tim Hudson (UK): Chairman
- Kenneth Morrison (Hong Kong): Vice-Chairman
- Jean-Louis Simon (France): Vice-Chairman
- Thierry Blanchetier (France)
- Kathryn Byrne (USA)
- Charles de Boisriou (France)
- François de Carbonnel* (Switzerland)
- Anita de Casparis (Netherlands)
- Patrice de Folleville** (Germany)
- Mohamed Ali Elaouani Cherif (Tunisia)
- Denise K. Fletcher* (USA)
- Gregor Kunz (Germany)

NATIONAL GOVERNING BODIES

Each Mazars country is led by an executive committee whose members are elected, following approval by the Group Executive Board, by the partners of the country in question. In addition, to comply with the new national rules for audit firms, a Governance Council was established for Mazars in the Netherlands.

GOVERNANCE FOR VALUE CREATION

Value creation throughout our organisation is bolstered and optimised through the complementarity and smooth functioning of our two governing bodies and the cooperation the GEB has built with our business lines and country-level entities. Our governing bodies are representative of our partnership's international scope and diversity.

* external member
** until 31/08/2015

In this sense, the Group Executive Board is comprised of two generations of leaders coming from six countries spread across three continents. 1/4 of the Group Governance Council's members – who represent seven countries and four continents - are women.

Our two governing bodies meet several times each year and maintain regular contact, which enables them to work together and exchange opinions in accordance with the Group Charter.

The Managing Partners of each country are informed and consulted at least twice per year during regional meetings. They are then asked to explain strategies to national partners, foster dialogue so that each partner can adequately apply global operational decisions and ensure that local actions are implemented in line with the Group's overarching strategy.

GROUP EXECUTIVE BOARD REPORT

FOREWORD

The decision in 2004/2005 to prepare and publish an annual report, including our consolidated financial statements under IFRS and audited by two external auditors, remains a distinctive feature of our integrated global Partnership.

We are therefore pleased to present you, as an evidence of our commitment to transparency, the annual FY 2014/2015 report on our business and earnings.

The Group Executive Board

1. OBJECTIVES MET, CHALLENGES DEALT WITH AND THE FUTURE PREPARED FOR

We are pleased to advise that the Mazars Group results for FY 2014/2015 are in line with what we anticipated and set out last year.

Key achievements:

- The merger in Germany has happened and we have a significantly stronger presence in a key country with a turnover of €110m. The integration process is proceeding well and our brand has benefitted substantially.
- Our turnover is €1,253m (+15.9% including 6.0% of organic growth). Over the last 4 years, the increase in turnover has been 23.6%.
- Our surplus is €232m which compares to €200.5m last year. On a like for like basis and at constant exchange rates the target set last year has been slightly exceeded.

Key figures:

In millions of Euros	Actual 2014/2015	% vs actual 2013/2014
Fee Income	**1,252.7**	+15.9%
Surplus	**232.2**	+15.8%

With the integration this year of Albania, Kyrgyzstan and the Philippines and new correspondent agreements, our global footprint has increased as we now operate in 92 countries including **74 integrated countries.**

2. GEOGRAPHY/AREAS

Fee Income in millions of Euros	2013/2014	2014/2015	Growth %	Organic Growth %
Africa & Middle East	69.8	**80.6**	+15.6%	+8.2%
Asia Pacific	56.9	**75.0**	+31.8%	+18.0%
Central & Eastern Europe	40.4	**40.2**	-0.4%	+5.8%
Central & South America	37.2	**41.8**	+12.3%	+13.9%
North America	125.9	**159.8**	+26.9%	+6.2%
Western Europe	750.7	**855.3**	+13.9%	+4.4%
TOTAL	**1,080.8**	**1,252.7**	**+15.9%**	**+6.0%**

Africa & Middle East - 24 countries

Africa's organic growth stands at +8.7% with also +2.8% of external growth and +3.2% of positive exchange rate variance. We saw some strong growth rates in Kenya +27%, Senegal and Tunisia +24% and Morocco +19%.

South Africa, our largest market also experienced a high growth of +17%.

Middle East saw a high growth rate mainly due to a positive forex impact in all countries of +17%. Lebanon has the highest organic growth rate with +9%.

Asia/Pacific - 12 countries

Asia Pacific has the strongest area growth of the Group with +31.8%.This is driven by +18% of organic growth but also by a strong forex impact of +14%.

Major organic growth came from Hong-Kong +19%, Singapore +18%, Japan +74%, Thailand +18% and South Korea +17%.

Eastern & Central Europe - 11 countries

The organic growth of +5.8% is mitigated by a high negative exchange rate impact (Russia -26% and Ukraine -39%).

Some high organic growth situations in Ukraine +43%, Croatia +25%, Austria +16% and Russia +9%.

Finally, Albania integrated Mazars in January 2015.

Latin & Central America - 7 countries

High organic growth in Mexico +25%, Peru +31%, Argentina and Chile +24%. Some negative forex impact in Brazil -7% and Argentina -3%.

Overall, the region grew strongly at +12.3%.

North America - 3 countries

Total Area growth was of +26.9% driven by a positive forex impact of +17%. WeiserMazars shows a solid 9.8% growth which is amplified by the Forex impact. Canada showed a strong organic growth of +25%.

Western Europe - 17 countries

Main feature explaining the +13.9% area growth rate is the integration of RBSM which takes the external growth rate up to +8%. Also some very good performances in the UK +23%, Ireland +31%, Greece and Luxembourg +17%.

3. SERVICE LINES

Our reporting format has changed in 2014/2015 as we moved from market segments (GBU) reporting to Service lines:

- Audit
- Financial Advisory Services
- Consulting
- Accounting & Outsourcing Services
- Tax
- Law

Comparison year-on-year is not possible for the full consolidation scope as a number of countries were not able to breakdown their 2013-14 activity per service line.

2014/2015 breakdown per service line is as follows:

Fee Income in millions of Euros	2014/2015	%
Audit	**588.1**	46.9%
Financial Advisory Services	**94.6**	7.6%
Consulting	**101.7**	8.1%
AOS	**230.8**	18.4%
TAX & LAW	**237.5**	19.0%
TOTAL	**1,252.7**	**100.0%**

Audit remains the main business line with nearly half of Mazars revenue but shows a 3% growth.

Nevertheless, efforts to develop additional offers to better serve customers and balance our activity result in good progress of other service lines with a 21% overall growth at constant perimeter. Tax, Financial Advisory Services and Consulting are the fastest growing service lines.

4. GLOBAL BUSINESS UNITS (GBU)

Analysis of major evolutions per market segment remains relevant.

PIE

Our Public Interest Enterprise (PIE) results show robust and continued growth in a world that is rife with change.

Booming Activity across the Board

All service lines, sectors and regions have contributed to our outstanding 2-digit growth, with a marked increase in activity in Advisory and Tax and Financial Services. Mazars' merger in Germany has further supported our development on the PIE market.

Our steady organic growth can be attributed to the successful deployment of a sector-centric approach in both Financial Services and Industry and Services. Combined with the reinforcement of our service line expertise in several countries, a significant increase in multi-site offerings and assignments as well as the growing recognition of our business reputation, Mazars saw significant progress across the business. We now serve over 20% of the FTSEurofirst 100, 10% of the Fortune 500 and global institutions such as the European Commission.

Adapting to a Reshaped Market

In audit, the global landscape will be changed by the implementation of the European Audit Reform across the European Union (EU) Member States by June 2016. Mazars continues to be involved in the discussion at both EU and country level in order to promote the founding objectives of this reform: ensuring the quality and relevance of statutory auditors, safeguarding independence, promoting transparency, and creating a more dynamic audit market capable of serving the public interest. Even if the implementation of the legislation is still ongoing, at Mazars, we are ready as of now to accompany our clients, as well as other stakeholders, to prepare for this important change, decisive for the future of audit in Europe.

The Internet of Things is transforming the global economy, opening vast business opportunities as well as introducing new challenges and risks for Board Members and Investors. At Mazars, we continually adapt our business model and solutions to better serve our clients. Our new online platforms, including *Eazy by Mazars* and *InControl,* allow businesses to easily manage their accounting and payroll services and safely oversee local compliance regulations across different countries. We continue to innovate in developing offers that cater to our clients' evolving needs, including the areas of Anti-bribery, Forensics and Cybersecurity. We are also implementing new approaches to business through the internationalisation of our open innovation program, *Mazars Lab*.

Business Ethics, Compliance and Transparency

We are an advocate of responsible business practices not only because it reflects our values, but also because it is playing an increasingly important role in the world we operate in. We believe we can partner with the companies we serve, as well as the governments and institutions for whom we advise, to advance sustainable and responsible business behavior globally.

Every service – whether it be performing an audit or advising a client - is an opportunity for us to build trust in the business world through collaboration. *Business. For Good*™ is our new global initiative that encourages business leaders to 'think and act long-term' in order to enhance business performance and pursue profit responsibly for the benefit of companies, their stakeholders and society at large.

OMB (Owners managed business)

2014/2015 has been another eventful and exciting year in the SME and Mid-Market segments of our market. This segment accounts for 40-50% of our total income and we have continued to grow and expand and have won a significant number of new Mid-Market clients in this very important segment during 2014/2015.

The services we provide to this segment include Audit, Tax, Accounting and Outsourcing and Business and Financial Advisory. In 2014/2015 our French and UK practices undertook major new business development initiatives in this segment with great results. Our French teams have championed a national campaign to specifically target Mid-Market firms under the E.T.I project banner and have managed to secure 15% of market share in the Mid-Market listed company sector. In the UK we have implemented a business campaign focused on the larger Privately Owned Business (POB) sector, again to great effect. The UK team are now committed to doubling our market share in this important space over the next few years. Additionally, a number of our firms around the world have established 'Country Desks' with a view to targeting new client inward investment opportunities from specific countries, some of which have a particular SME and Mid-Market focus.

One of the distinctive characteristics of the SME and Mid-Market is the important role that the 'owner/managers' play in the management and advancement of the business. This group are increasingly looking to our firm for wise counsel and a broader range of business advice and specialized business services than traditionally offered.

We have responded to this need and developed the 'Hub and Spoke' approach which we are beginning to roll-out in many of our practices worldwide. This approach requires each practice to identify those clients who need more rounded business care and attention and who could benefit from the appointment of a 'Hub' partner. These partners have been charged with developing a deeper relationship with the client and a greater understanding of the needs and challenges of their business. Over time our 'Hub Partners' become the 'go to' person for the client and then co-ordinates the provision of all our service lines (spokes). For regulatory and other reasons the provision of this type of service is not appropriate for all of our SME and Mid-Market clients.

The early signs of this initiative are very encouraging and a group of 30 partners and staff from 13 countries recently completed a full weeks training course on how best to play the Hub Partner role with key clients. The program was called the 'Mittelstand Business School' and was developed in conjunction with Mazars' University and a number of leading external universities.

TAX

In 2014/2015 the international and European tax landscape has dramatically changed; the BEPS project and the tax transparency topic dominated the tax market and continued to have substantial impact on the tax profession. BEPS focuses on tackling aggressive tax planning and tax avoidance by MNEs and modernising international tax rules. Being transparent on how much tax you pay, whether that is 'fair' and where you pay it is now a key factor for any business.

This changing environment can provide the Mazars tax professionals with business development opportunities. On the other hand, regulatory changes and pressure of fees make the market challenging. Nevertheless Mazars Tax was able to grow substantially from €118m in 2013/2014 to €223m in 2014/2015. Some nice new client wins such as Huawei, Delhaize, Airbus and Q-Park have contributed to this growth.

We see that the quality of our tax practices has evolved over the years and the tax board stays in close connection with Mazars country teams by reviewing them in rotation and by challenging their business plans. For the further growth of the Mazars tax practice it is essential that we focus more on specialisms and specific services such as, for example, transfer pricing and global mobility services. This focus may result in excellent business develop opportunities.

Business development opportunities can also be created via thought leadership, one of our strategic pillars. Thought leadership is not only about education, but also about creating business. It will help us to increase our external and internal brand awareness, to be associated with the questions our clients and prospects are asking us and it assists with attracting high profile and talented future employees. In 2014/2015 Mazars Tax has commented on the OECD BEPS Action points, has set up a Mazars International Tax Blog and has attended several EU and International Tax Conferences. We also organised the 3rd Mazars International Tax Conference with clients and prospects as BBC, Coach, Vodafone, Bank of China, TEVA, Huawei and Walt Disney participating and the UK Head of Tax of GlaxoSmithKline as our main speaker.

For Mazars Tax it is essential to retain and attract high profile and talented employees and it is fundamental that we invest in people's knowledge and skills so that they operate at the same level of knowledge & quality globally. In a market with pressure on fees, legislation changes and the consequences of BEPS, high level knowledge and excellent service become more important for tax professionals. Mazars Tax has initiated the development of a Master of Advanced Studies in International Tax Law (which will start in September 2016) to engage and reward Mazars talented professionals, create a tax community, control the level and quality of knowledge plus educate the 'next' tax leader.

Diversity is a very important pillar for the Mazars Group. And despite recent advances in the area of diversity, Mazars Tax has a long way to go, which is why 'Project Shine' was started. The Mazars Women in Tax (Project Shine) is an initiative to create a network and a platform for talented women within the organisation where they can meet, exchange ideas and experiences, discuss tax and encourage each other to grow as professionals. It aims to build a framework of cooperation and teamwork within Mazars on an international level that will encourage and support women to reach their maximum potential in order to create more business opportunities. The goal of the project is to encourage women to reach the revenue levels needed to be partners, to the same extent as their male colleagues.

2014/2015 was an exciting year. We thank all our stakeholders for their commitment to, support to and trust in Mazars Tax as a learning organisation.

LAW

During the last year we have enhanced our capacity to follow our clients' needs:

1. Enlarging our integrated circle of law firms

Mazars' law service line has been happy to welcome the German law firm RBS Legal during 2015 as an integrated firm. It's more than a pleasure to be able to render legal services in the most powerful European economy. M&A, Corporate law, Real Estate, Commercial and Conflict resolution are the main fields where we can advise our clients and targets in Germany.

2. Growing the geographical extension of Marcalliance

Marcalliance, the alliance of independent law firms has extended its coverage to Egypt and South Korea allowing its members to better follow their clients. Today Marcalliance represents 21 law firms worldwide with a clear option to corporations' needs.

In the end we have followed the strategy, built some years ago, to have the capacity to serve our clients in legal services throughout:

a. our integrated inner circle or
b. through our best-friend relationship with the independent law firms members of Marcalliance (in the case of countries with legal constraints and important incompatibilities)

5. PROFITABILITY AND FINANCING

Our Group gross margin is stable at 49.5% of our Fee Income and represents €620.5m. This means that we have managed to stop the decrease of the margin coming from the fee pressure of the last couple of years. We have the same growth of +15.9% of our fee income, in direct costs and gross margin.

Overheads have increased by +15.9% which is in line with the revenues and weigh now 31% of our fee income aligned with last year.

As all the above KPIs are stable year-on-year, so is the Surplus which represents 18.5% of the fee income growing by +15.8%.

Surplus is defined as the profit before any direct or indirect form of partners' remuneration, including their share of corporate income tax, in case of dividends.

The financing of our activities is essentially provided by the Partners. It may be in different forms (equity shares, loans, current accounts, deferred compensation...). In total this year financing by the partners represents 14 months of their total earnings. Our work in progress and receivables ratio remains under good control at 3.2 months of annual Fee income slightly below last year.

PERSPECTIVES

We are therefore proposing to start FY 2015/2016 with further new, significant and transforming developments for Mazars thanks to new geographic developments that will occur during the course of 2015/2016.

In the last four months, we have proved an exceptional ability to vigorously react and organise ourselves in Italy. This new start has been made possible only thanks to the talents, will and core Mazars DNA of numerous partners and employees that we wish to particularly acknowledge.

We will be able to enter a new phase in 2016 thanks to our continued organic growth and the addition of skills and geographic capacities.

Mazars continues to grow in a fast-changing world. The successful integration of new Partners and new cultures is at the centre of our roadmap for the forthcoming months. We enter this new phase with confidence knowing the capabilities and values of Mazars Partners and employees that haven't changed since our founders established them.

Over the last ten years we have accelerated our growth and we look forward to working with all partners and staff to evolve further to meet the challenges of a fast changing world.

Our objectives are set:
- To be seen as being one of the best workplaces to attract even more talents;
- To develop our international footprint, clients and cross border work;
- Improve our tools to be at the cutting edge of technology in all our service offerings.

Our strong growth will help us meet these objectives and position us as one of the top tier players in our profession.

The Group Executive Board

INTERVIEW OF TIM HUDSON

Chairman of the Group Governance Council

'OUR PRIMARY FOCUS IS ON THE EVOLUTION OF OUR MARKETS AND ON OUR GEOGRAPHIC COVERAGE'

2015 was your first full year as Chairman of the Group Governance Council. Can you give us a quick overview of what the Group Governance Council has focused on in the last 12 months?

TIM HUDSON – For the Group Governance Council, 2015 has been a year of changes, with the departure of five of our members, and the appointment of two new ones. Within this context, we have primarily focused on the basics of what is, in essence, our role as an oversight body. I have to say I am happy with the way we managed to work together as a team, both internally and in the open dialogue we have sought to establish with the Group Executive Board and the leaders of the key Group Support Units.

At the start of the year we set out a number of key themes that we wanted to prioritise with the Group Executive Board, including risk management and strategic thinking, which are crucial for the long term development of Mazars. Progress has been made but there remains more to be done.

The rules of corporate governance are changing for audit firms throughout Europe, as governance codes are being reinforced. Do you believe these evolutions are going in the right direction? Will Mazars' governance model need to be adapted to this new environment?

TIM HUDSON – There has been consultation on changes, for example in the UK and there has been real change to governance in certain countries notably the Netherlands, where we have set up a local supervisory board, to comply with the new legal requirements.

On a broader scale, however, I observe that the governance codes are moving towards rule based systems, which may not be fully adapted to either our partnership model or our profession. At Mazars, we have always been strong advocates for sound principles applied by ethically irreproachable professionals rather than for the simple addition of new rules.

The current evolution in governance codes is aimed at supporting the overall regulatory goal of improving quality and creating a fair, competitive playing field. It remains to be seen whether these desired outcomes will be achieved.

This being said, we will of course make the necessary local adaptations to respond to the new rules and regulations, in and outside of Europe, preferably on a comply or explain basis to principles based systems.

A major external growth operation was carried out in 2015 with the integration of RBS in Germany. What is your view of the prospects this new addition to the partnership brings to Mazars?

TIM HUDSON – Germany is Europe's largest economic market, so we had to have the appropriate critical mass there. Now, with the integration of RBS, we truly are a significant player, with the required human and technical resources. This enables us to not only increase our local client base, but also to properly serve German firms looking overseas and foreign firms coming into Germany. With RBS, we now are in the top 10 firms on the German market and the prospects are extremely promising.

From a Governance Council point of view, the addition of RBS means the appointment of a new German member to our team, which reinforces our international experience. One of our key objectives this year was to monitor GEB's action on integration processes. Evidently, it will take a few months to get the combined teams fully functioning, but we are pleased with the progress made. The intention would be to use the RBS integration process as a model for future additions to our partnership.

One last word, if I may, about another consequence of this merger: judging by what we have seen in the German media, it seems to have started to spur debate over the emergence of new truly national players in the market. Needless to say we are very happy to play our part in that!

From a GGC point of view, what do you see as the main challenges for Mazars in 2016 and for the next few years?

TIM HUDSON – There is no shortage of challenges for the Group Governance Council in the years to come. I believe the major two topics we will have to focus on are the evolution of our markets, especially in Europe, and our geographic coverage.

Regarding our markets, we will have to look closely at the changes the EU audit reform will bring. I see the outcome of the reform as both an opportunity and a threat, and we will have to be smart about how we innovate, how we invest in new technologies and how we share information so that we build on our existing competitive position.

In terms of our geographic coverage, we will have to finalise our expansion projects in Asia, first. Both to make sure we deliver what our future partners expect from us and to capture what we, as an organisation, expect from these markets. We also know integration processes in Asia will require us to deal with cultural differences that could make them somewhat harder than in Europe.

Our development in the United States is a major subject as well. We do need to increase our presence there, in order to further serve listed and international companies. That means both wider coverage and broader expertise. We need to think about how we can deliver that.

Of course, as an oversight body, we also have to address the ever present challenges of maintaining quality, promoting diversity and ensuring the emergence of new leadership. All of these are key to the sustainable growth of Mazars and we intend to fully play our role.

GROUP GOVERNANCE COUNCIL REPORT

2014-15 has been a busy one for the Group Governance Council (GGC). Mazars has seen significant opportunities for growth in new markets and continuing competition in our traditional markets and services.

In this context, we are pleased with the progress made in many areas, even though further improvements are still to be achieved. We are also satisfied with the open dialogue we have established with the Group Executive Board (GEB) and the leaders of the key support functions (Finance, HR, T&I).

The Group Governance Council plays a key role in Mazars' governance platform, through its general oversight function but also through the specific roles that are assigned to it.

It has been working throughout the year under the new organisation giving priorities to the committees (Financial Performance, Partnership Development, Governance and Remuneration). Each committee has defined its terms of reference and established in January a list of priorities and topics to be addressed during the year. Both the terms of reference and the priority topics have been communicated to the GEB.

STRATEGY

In its oversight role, the GGC has sought to engage with the GEB in a discussion of, and update to Mazars', strategic plan as the GEB looks forward to the development of the next four year plan ensuring there is appropriate engagement with the partners. The shared target of GEB and GGC is the development of a strategic plan that can be easily communicated to the partners and teams in all 74 countries, so that enhanced alignment of vision and purpose can be obtained.

QUALITY AND RISK ENVIRONMENT

The GGC continues to ensure that quality is at the top of the GEB's agenda. The tone at the top is a cornerstone of any quality and risk management framework.

In this regard, there have been a number of very positive developments, including:

- The full implementation of a Group-wide whistleblowing policy, through country and group websites.
- The implementation or enhancement of quality processes outside of regulated activities for example in AOS or financial advisory services, .

The monitoring and reporting of the results of quality control processes and the implementation of any related actions continues to improve with the adoption of centralised web based systems.

Our independent, external members have continued to fulfil the public interest roles required by the audit firms in the UK, Ireland and the Netherlands. In the Netherlands we have now constituted a local Supervisory Board to comply with the evolving regulatory requirements and independent members have been appointed locally there.

DEVELOPMENT OF MAZARS' GEOGRAPHICAL COVERAGE

Our exchanges with the Group Executive Board have been focused on expanding our presence in key markets such as Germany and China, as well as making moves into new territories to support our clients increasing global demands .

DIVERSITY

In 2014, the GGC asked for a plan to enhance progress on this key issue. The GEB has responded well and we continue to monitor initiatives to improve diversity at all levels in the Group. In March 2015, the GEB presented a plan, which was challenged by the GGC. The GGC will now monitor the progress made.

FINANCIAL PERFORMANCE

In its oversight role, the GGC has reviewed and commented on Mazars's financial results for the year ended August 31, 2015. The GGC is satisfied with the overall financial performance which includes 15.9% growth of which 6.0% organic growth, as well as with the level of gross margin and the reduction in external debt. The Group Governance Council has also reviewed the budget for the upcoming 2015/2016 year and made various recommendations around timely reporting.

PARTNERSHIP AND TALENT

The GGC works closely with GEB to review the business and personal cases for our potential new partners. Ensuring we have the right team with the right skills in the right places is critical to our Group's ongoing progress and development. The quality of the candidates to be approved at our Brussels meeting is as impressive as always and we are pleased to note that the gender mix is improved, as there are 10% more women than last year, and that Tax representation is increasing, in line with the investments made by many countries in Tax business units.

AN EVOLVING TEAM

We express our thanks to Patrick de Cambourg, Patrice de Folleville, Doug Philipps and Kathy Robison who left GGC during 2015. Their replacements have picked up the baton and are already contributing fully.

We would particularly like to express our thanks to Francois de Carbonnel who is stepping down at the Brussels meeting. As one of our first independent members he has made a significant contribution over the last three years improving our discipline and focus and persistently, when necessary, asking challenging questions. He will be missed.

PERSPECTIVES

2016 will be another year of challenge and opportunity including the upcoming integration process in China, and the continuation of those initiated in Germany and Italy.

In an ever more competitive environment, we will continue to challenge the Group Executive Board to ensure our structures remain responsive to market changes and importantly that we continue to be positioned to be a net beneficiary of European reform.

CONSOLIDATED FINANCIAL STATEMENTS
prepared in accordance with IFRS

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

2014/2015 financial year ended on August 31, 2015

In thousands of Euros	Notes	2013/2014	2014/2015
Turnover	5	1,080,817	**1,252,701**
Cost of technical staff	6	-545,384	**-632,225**
GROSS MARGIN		**535,433**	**620,475**
Cost of administrative staff		-84,596	**-96,704**
Other costs	7	-223,733	**-258,002**
Depreciation and provisions	10, 11 & 15	-18,243	**-23,828**
OPERATING SURPLUS		**208,861**	**241,942**
Amort'n/imp't of client relationships and goodwill	10	-4,994	**-5,368**
Financing costs		-3,188	**-4,184**
SURPLUS BEFORE PARTNERS' REMUNERATION		**200,679**	**232,390**
Partners' remuneration		-200,538	**-232,202**
PRE-TAX RESULT		**141**	**188**
Corporate income tax	22	-68	**-76**
POST-TAX RESULT		**73**	**112**
Earnings per share (in Euros)			
basic	9	0.57	**0.79**
fully diluted	9	0.57	**0.79**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

2014/2015 financial year ended on August 31, 2015

In thousands of Euros	Notes	2013/2014	2014/2015
Post-tax result	3.6	73	**112**
Other comprehensive income			
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**73**	**112**

If applicable, the other comprehensive income disclosed above relates to the consolidating entity Mazars SCRL.

Other comprehensive income for the Group's operating entities is disclosed, in accordance with the overall presentation of the Group's equity set out in note 3.11, under 'Other comprehensive income' as part of non-current liabilities due to Partners (cf. note 18, 'Non-current and current liabilities due to Partners').

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

2014/2015 financial year ended on August 31, 2015

In thousands of Euros	Notes	August 31, 2014	August 31, 2015
ASSETS			
Intangible assets	10	143,581	**138,956**
Property, plant and equipment	11	37,094	**43,798**
Other non-current assets	12	13,640	**21,199**
TOTAL NON CURRENT ASSETS		**194,316**	**203,953**
Trade and other receivables	13	300,053	**329,590**
Other current assets	14	67,392	**77,114**
Cash and cash equivalents	17	66,759	**82,047**
TOTAL CURRENT ASSETS		**434,204**	**488,751**
TOTAL ASSETS		**628,520**	**692,704**
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY		**679**	**874**
Non current portion	18	153,604	**175,009**
Current portion	18	89,769	**105,214**
TOTAL LIABILITIES DUE TO PARTNERS		**243,373**	**280,224**
Maturing in more than one year	17	66,237	**63,966**
Long-term provisions	15	29,082	**34,818**
TOTAL OTHER NON-CURRENT LIABILITIES		**95,319**	**98,784**
Maturing in less than one year	17	19,463	**19,781**
Current bank financing	17	25,135	**26,763**
Trade and other payables	21	228,637	**249,645**
Current provisions	15	15,914	**16,633**
TOTAL OTHER CURRENT LIABILITIES		**289,149**	**312,822**
TOTAL EQUITY AND LIABILITIES		**628,520**	**692,704**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2014/2015 financial year ended on August 31, 2015

In thousands of Euros	August 31, 2014	August 31, 2015
SHAREHOLDERS'EQUITY AT THE BEGINNING OF THE PERIOD	**598**	**679**
of which share capital	312	**320**
of which share premium		
of which reserves	286	**358**
MOVEMENTS	**8**	**84**
of share capital	8	**33**
of share premium		**51**
of reserves		
TOTAL COMPREHENSIVE INCOME	**73**	**112**
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	**679**	**874**
of which share capital	320	**353**
of which share premium		**51**
of which reserves	359	**470**
NUMBER OF SHARES, VALUED AT 2.5 EUROS EACH, AT THE END OF THE PERIOD	**128,148**	**141,263**

CONSOLIDATED STATEMENT OF CASH FLOWS

2014/2015 financial year ended on August 31, 2015

In thousands of Euros	Notes	2013/2014	2014/2015
I- OPERATING ACTIVITIES			
NET RESULT		73	112
Depreciation and amortisation		22,095	24,540
Gains and losses on disposal		-685	-242
SELF-FINANCING CAPACITY		21,483	24,410
Changes in current assets		-4,024	-14,099
Changes in other current liabilities		13,318	17,230
Changes in working capital requirements	24.1	9,294	3,131
NET CASH GENERATED BY OPERATING ACTIVITIES		30,777	27,541
II- INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangible assets	24.2	-24,728	-24,882
Disposals of property, plant and equipment and intangible assets		1,063	1,467
Purchases of other non-current assets	24.3	-4,036	-13,902
Disposals of other non-current assets	24.4	2,784	9,655
Net cash flows from acquisition and disposal of subsidiaries	24.5	-2,250	-6,725
NET CASH USED IN INVESTING ACTIVITIES		-27,167	-34,386
III- FINANCING ACTIVITIES			
Capital increase		8	84
Changes in non-current liabilities due to partners		5,520	12,260
Changes in current liabilities due to partners		10,555	12,500
Issuance or subscription of long-term debt	24.6	23,447	13,218
Repayment of long-term debt	24.6	-26,843	-16,766
NET CASH FROM FINANCING ACTIVITIES		12,688	21,295
CHANGES IN CASH FLOWS		16,297	14,450
Impact of exchange rate changes		-1,318	-790
Cash and cash equivalents at the beginning of the year		26,645	41,624
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		41,624	55,284
Cash and cash equivalents		66,759	82,047
Current bank financing		-25,135	-26,763
NET CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		41,624	55,284

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 : BASIS OF PREPARATION

The financial statements together with the attached notes for the financial year ended August 31, 2015 have been prepared in accordance with IFRS as adopted by the European Union.

The financial statements were approved by the Group Executive Board on December 2, 2015 and submitted for review to the Group Governance Council on December 3, 2015. They will be submitted for approval of the General Assembly of Mazars SCRL on December 19, 2015.

NOTE 2 : SIGNIFICANT EVENTS

In Germany, RBS joined the Mazars organisation and as a result, its financial statements have been consolidated with those of the Group since January 1st, 2015.

Following the decision of the Partners of the entity located in Italy to sell the firm's business on July 23rd, 2015, the applicable Mazars companies in Italy were deconsolidated with effect from July 1st, 2015.

Changes in the scope of consolidation are presented in note 4.

NOTE 3 : ACCOUNTING POLICIES

3.1. New standards and interpretations applicable to the 2014-2015 financial year

IFRS standards, amendments and interpretations mandatory applicable to the 2014-2015 financial year

The Group has applied all the new IFRS standards, amendments and interpretations mandatory applicable to the 2014-2015 financial year, including in particular (for the first time) the new consolidation standards (IFRS 10, IFRS 11 and IFRS 12) and their associated amendments. Given the nature of the control exercised by Mazars SCRL over the entities comprising the Group, the new standards have had no impact on the scope of consolidation.

New standards published by the IASB but not yet mandatory applicable

In May 2014, the IASB published IFRS 15 on accounting for revenue. The standard is in the process of adoption by the European Union and will be mandatory applicable to the Group's financial statements for the 2017-2018 or 2018-2019 financial years. Work is in progress on identifying the implications of the standard for our revenue recognition and more particularly, for the rhythm of our revenue recognition.
The other texts already published by the IASB, but the application of which will only be mandatory in future years, will not have any material impact on the Group's consolidated financial statements.

3.2. Presentation currency for the consolidated financial statements

The consolidated financial statements have been prepared in Euros and are presented in thousands of Euros (except where otherwise stated).

3.3. Scope of consolidation

The entities forming the Mazars organisation have a range of legal forms. Some are general partnerships, some are limited liability partnerships and others are limited liability companies, depending on what is usual or the legal requirements of the national jurisdictions under which they are regulated. They are also subject to professional, technical and ethical standards under both Mazars' internal regulations and national legislation and regulations. The articles of association and other institutional documents of Mazars SCRL (the 'Mazars agreements') include conditions regarding the control of entities and provisions whereby the rules resulting from the Mazars agreements are subordinated to national legislation and regulations.

In that context, and on the basis of the Mazars agreements, the shareholders in Mazars SCRL (the 'Partners'), all of whom are practising Partners in Mazars entities (the 'entities'), have deemed that, for financial reporting purposes, Mazars SCRL be the consolidating entity for all entities under the control of Mazars' Partners, and that IFRS, as applicable in the European Union, constitute the applicable accounting framework.

The consolidated financial statements comprise the financial statements of Mazars SCRL (the 'parent entity') as well as those of the entities in which Mazars' Partners carry out their professional activities and of companies which are majority owned (either directly or indirectly) by those entities. The list of the main applicable countries, whose entities fall within the scope of consolidation, is provided in note 4.

3.4. Principal 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 that the Group Executive Board makes a certain number of estimates and assumptions which have an impact on the amount of the Group's assets, liabilities, shareholders' equity and items of profit and loss during the financial year. These estimates are made on the assumption that entities will continue as going concerns and are based on information available at the time of their preparation. Estimates may be revised where the circumstances on which they were based change or where new information becomes available.

The main estimates and assumptions liable to have a significant impact on the financial performance of the organisation relate to the amount of accrued fee notes, the valuation of receivables and associated impairment losses, and of goodwill and other intangible assets and associated impairment losses, and the amount of post-employment benefit obligations.

The main assets and liabilities as at August 31, 2015 subject to material potential adjustment, by reason of their bases of measurement, are as follows:

- Provisions for contingencies and future costs including €6,349 thousand relating to professional exposures and €1,063 thousand for country risk (see note 15).
  Given the late receipt of financial statements for Brazil and the absence of an audit opinion, an impairment allowance has been recognised for the full amount of the Group's Brazilian receivables.
- Post-employment benefit obligations: the applicable actuarial assumptions and calculations for each country concerned are set out in note 16.

The bases of measurement of each item are set out in the notes below.

3.5. Turnover

Turnover represents the fair value of payments received or receivable for services rendered to clients over the course of the year, subject to deduction of costs related to the provision of services (notably travel and hotels), after taking into account changes in work in progress.

Work in progress covers services provided which have not yet been invoiced. Calculation of work in progress, 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. Work in progress is valued at its probable sales value (net of taxes) and included in the consolidated statement of financial position with client debtors.

3.6. Presentation of the result before and after tax

The result before and after tax in the financial statements of Mazars SCRL, together with the tax itself, relates solely to the operations of Mazars SCRL. It should be noted that all sums payable, whatever their form, to Mazars' Partners at the level of entities or their subsidiaries are classified as Partners' remuneration. Due to differences in Mazars Partners' legal, tax and corporate status (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, benefits in kind etc.

In certain entities, dividends are paid to employees who do not have the status of Mazars Partners: these, along with the related tax, are considered as an element of their remuneration and included under 'Cost of technical staff' or 'Cost of administrative staff' depending on the circumstances.

Mazars SCRL does not engage in any professional activities directly and has no employee. The entity 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 Mazars agreements, it is not intended to generate significant profits.

3.7. Intermediate sub-totals in the consolidated income statement

In addition to the result before and after tax, as defined above, the consolidated income statement includes the following intermediate sub-totals:

- Surplus before Partners' remuneration: in accordance with the 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 Mazars agreements, for determining Partners' remuneration. A sub-total is thus calculated which allows the organisation's performance to be measured before any form of remuneration is paid to the Partners;
- Operating surplus: the operating surplus is calculated by subtracting the amortisation of client relationships, financing costs and the results for entities excluded from the scope of consolidation from the surplus before Partners' remuneration;
- Gross margin: gross margin is derived from turnover less the cost of technical personnel alone (both employees of the organisation and technical sub-contractors).

3.8. Corporate income tax

The surpluses before Partners' remuneration are taxed according to the regulations of the countries in which they are generated: i.e. either in the name of the entities (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 their Partners (principally in the case of partnerships). In the former case, for reasons of harmonisation corporate income tax is considered as an element of Partners' remuneration.

With the exception of tax on the profits of Mazars SCRL, the tax due on the profits of entities that are subject to corporate income tax is thus included under 'Partners' remuneration' and, for the portion payable by the organisation, 'Other costs'.

Consequently the tax disclosed is only tax on the profits of Mazars SCRL, the amount of which is not material, and so no tax proof is presented.

3.9. Deferred tax

Deferred tax is recognised on temporary differences between the tax and book value of assets and liabilities in the consolidated statement of financial position and is measured using the balance sheet liability method.

As provided for by IAS12.58, the effects of changes in tax rates are recognised under 'Non-current liabilities due to Partners' in the case of tax amounts themselves debited or credited directly to this line item, but are otherwise included in profit or loss for the period in which the changes are decided.

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

3.10. Other comprehensive income

The components of comprehensive income are reclassified and presented either in the consolidated statement of comprehensive income, if applicable to the consolidating entity's equity, or as part of 'Non-current and current liabilities due to Partners' if applicable to operating entities (see note 18).

3.11. Shareholders' funds and non-current and current liabilities due to Partners

The shareholders' funds disclosed in the consolidated statement of financial position uniquely comprise the share capital and reserves of the consolidating entity, Mazars SCRL.

Partners' contributions to the permanent financing of entities are included in the consolidated statement of financial position under 'Non-current and current liabilities due to Partners', in the non-current portion. The portion of their remuneration deferred until after the financial year-end is included in the consolidated statement of financial position under 'Non-current and current liabilities due to Partners', in the current portion.

3.12. Foreign currency transactions

Transactions carried out by entities in currencies other than their functional currencies are accounted for at the exchange rates prevailing at the transaction dates. Subsequent gains and losses are recognised as part of profit or loss for the period.

Assets and liabilities in currencies other than entities' functional currencies are converted at the exchange rates prevailing at the financial year-end. The resulting translation differences are recognised as part of profit or loss for the period.

3.13. Conversion of financial statements drawn up in currencies other than the Euro

The financial statements of entities located outside the Eurozone are drawn up in local currency, which is generally their functional currency, and converted into Euros as follows:
- Assets and liabilities are converted at the exchange rate prevailing at the financial year-end;
- The consolidated income statement is converted at the average exchange rate for the period;
- The resulting conversion differences are included under 'Other comprehensive income' in 'Non-current liabilities due to Partners'.

3.14. Business combinations and goodwill

The requirements of IFRS for business combinations were applied retrospectively to September 1st, 1995, when Mazars SCRL was created and Mazars merged with Guérard Viala in France. These were the founding events of the organisation as it exists today and of its institutional, operational and financial characteristics.

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

The goodwill included in the consolidated statement of financial position under 'Intangible assets' is thus derived from external growth transactions entered into by the organisation.

Goodwill recognised represents the difference between the cost of shares acquired (including any anticipated additional consideration accounted for as other liabilities) and the acquired portion of the fair value of the assets and liabilities identified at the date of acquisitions.

The fair value of assets identified at the date of acquisitions includes the fair value of contracts and appointments in progress, included in 'Intangible assets', together with the fair value of client relationships measured according to the principles set out below.

Under the Group's solidarity rules, goodwill, like other long-term investments, are not systematically subject to any annual impairment test.

3.15. Intangible assets other than goodwill

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); and
- 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 organisation'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 8 and 20 years.

3.16. Property, plant and equipment

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: 7 to 10 years;
- Vehicles: 3 to 5 years;
- Furniture and office equipment: 3 to 10 years.

3.17. Impairment of non-current assets

In accordance with IAS 36, intangible assets and property, plant and equipment are subject to impairment tests whenever there is an indication that the value of the 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 cash-generating unit is considered to be the country in which the external growth transaction took place.

Impairment testing is performed by comparing the recoverable amounts and carrying amounts of the cash-generating units with which the goodwill is associated.

The recoverable amount of a cash-generating unit 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 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 takes into account the current market expectations of the time value of money and the specific risks related to each cash-generating unit. It is an after-tax rate applied to after-tax cash flows and corresponds to the weighted average cost of capital. Specific calculations are performed for each CGU.

When the carrying amount of a cash-generating unit exceeds its recoverable amount, taking into account the Group internal solidarity rules, the assets of the cash-generating unit are written down to their recoverable value. Any impairment is recognised first against goodwill and is accounted for in the consolidated income statement.

3.18. Leases

Leases which transfer nearly all the risks and rewards related to ownership of the rented asset to the lessee are recognised in the consolidated statement of financial position at the start of the lease at the lower of the fair value of the rented asset and the discounted value of the minimum lease payments. Such assets are included under 'Property, plant and equipment' with the corresponding liability to the lessor included in the consolidated statement of financial position as a finance lease obligation. They are subject to depreciation over the periods listed above for each class of asset. Lease payments are apportioned between finance charges and a reduction of the lease obligation.

Leases for which the owner does not transfer the majority of the risks and rewards related to ownership of the assets are treated as operating leases.

Lease payments under these contracts are recognised under 'Other costs' in the consolidated income statement, on a straight-line basis over the duration of each contract.

Commitments under non-cancellable operating leases are shown in note 28.

3.19. Financial instruments

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

Financial assets:

- Available-for-sale financial assets
- Loans and receivables
- Client debtors
- Cash and cash equivalents
- Derivative instruments with asset balances

Financial assets are initially recognised at fair value and at the reporting date they are measured either at fair value (available-for-sale financial assets, cash and cash equivalents and derivative instruments with asset balances) or at amortised cost (loans and receivables and client debtors) less any applicable impairment losses.

Impairment losses are recognised, in the case of trade and other receivables, where there is a risk of non-recovery.

Client debtors are individually reviewed by Partners for the purpose of recognising any impairment.

100% impairment allowances are recognised against receivables past due by more than a year with the exception of:

- Receivables settled within 30 days of the year-end;
- 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.

Financial liabilities:

- Current liabilities due to Partners
- Bank loans
- Current bank financing
- Trade and other payables
- Derivative instruments with liability balances

Bank loans are accounted for at amortised cost using the effective interest rate taking into account all expenses and commissions provided for between the parties and all other costs directly attributable to issuance of loans.

The Group measures derivative financial instruments at their market values as at the reporting date, and performs prospective and retrospective testing of instruments' effectiveness in line with market practices, based on market data provided by an independent supplier (Bloomberg).

The effective portion of the change in fair value of derivative financial instruments is recognised under 'Non-current liabilities due to Partners'. The effective portion is determined on the basis of the intrinsic value of the hedging instrument excluding changes in the time value of the instrument which are therefore charged or credited to profit or loss.

In accordance with IAS 7, *Statement of Cash Flows*, cash and cash equivalents presented in assets and liabilities in the consolidated statement of financial position and shown in the consolidated statement of cash flows include cash on hand and at 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.

3.20. Provisions

A provision is recognised when:
- There is a current obligation (legal or implicit) 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 finance cost.

3.21. Post-employment benefits (Partners and non-partners)

In certain countries, the Group's employees and Partners are entitled to complementary pensions, paid annually after retirement, or to lump-sum benefits paid at the time retirement is taken. The benefits may be covered by defined contribution or defined benefit plans. In the case of defined contribution plans, the organisation's obligation is limited to payment of the stipulated contributions which are charged to profit or loss in the period in which they are incurred.

The provisions recognised for defined benefit plans are computed on the basis of the projected unit credit method, taking into account:
- Status, age and past service periods for each beneficiary and category of beneficiary;
- Average staff turnover for each category of beneficiary;
- Average remuneration including bonuses and benefits in kind, augmented if appropriate by the current loading rate for employer's social security contributions;
- A discount rate based on the yield for high quality private sector bonds and equating with the horizon of the benefit obligation;
- Life expectancy based on mortality tables recognised in each applicable country.

The following countries are subject to significant defined benefit arrangements:

	Lump-sum retirement benefits	Pension plans	Other long-term benefits
France	X	X	
Germany	X	X	
Greece	X		
India		X	X
Ivory Coast	X		
Mexico	X		
South Korea		X	
Switzerland		X	
Turkey	X		
United Kingdom		X	
United States		X	

The portion of provisions relating to Partners' benefits is included in 'Non-current liabilities towards Partners'.

With effect from 1st September 2014, the Group has applied IAS 19 (2011), Employee Benefits, as a result of which actuarial gains and losses arising on post-employment benefit plans are recognised in other comprehensive income as incurred.

3.22. Segment reporting

The current organisational structure emphasises the transnational development of our service offerings.

In 2014/2015, our operating teams have been reorganised by service lines as follows:
- Audit, i.e. those services designed to provide the assurance of reliable and relevant financial reporting;
- Financial Advisory Services (FAS), consisting in 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;
- Accounting and Outsourcing Services (AOS), providing financial and accounting management with a comprehensive response to their requirements ranging from day-to-day accounting to complex projects;
- Tax services (TAX), consisting in the provision of tax advisory services and of legal and regulatory compliance services at both the national and international levels and;
- Legal services (LAW), including the provision of tailored responses to issues of commercial law, tax law and the laws applicable to stock market transactions and capital markets.

In accordance with IFRS 8, the presentation by GBU is based on the organisation's functioning in line with our internal reporting systems.

3.23. Segment reporting by geographical regions

Geographical reporting is based on our activities and workforce.

The presentation by geographical zone allows for evaluation of the results of the organisation's efforts with regard to territorial coverage.

NOTE 4 : SCOPE OF CONSOLIDATION

In addition to the parent entity, the consolidation scope includes operational entities in 74 countries.

The main contributing entities are shown in the following table:

Country	Scope of consolidation for 2014-2015
CONSOLIDATING ENTITY	
Belgium	Mazars SCRL Avenue Marcel Thiry 77 - box 4 - B-1200 - Brussels
OPERATING ENTITIES	
Brazil	Mazars Cabrera LTDA Traça Ramos de Azevedo 206, 12° Andar - Centro - Sao Paulo
France	Mazars SA 61 rue Henri Regnault - 92075 Paris La Défense
Germany	Roever Broenner Susat Mazars Domstrasse 15 - 22095 Hamburg
Ireland	Mazars Block 3 - Harcourt Centre - Harcourt Road - Dublin
Italy	Mazars Italia Spa Via Senato, 20 – 20121 Milano
Netherlands	Mazars Paardekooper Hoffmann NV Mazars Building - Rivium Promenade 200 - 2909 LM Capelle a/d Ijssel PO box 23123 - 3001 KC Rotterdam
South Africa	Mazars Rialto Road - Grand Moorings Precinct - 7441 Century City - Cape Town
Spain	Mazars Auditores SLP Calle Diputación 260 - 08007 Barcelona
Sweden	Mazars SET Mäster Samuelsgatan 56 - SE-111 - 83 Stockholm
United Kingdom	Mazars LLP Tower Bridge House - St Katharine's Way - E1W 1DD London
United States	WeiserMazars 135 West 50th Street, New York - 10020 New York
Other European Union countries	14 countries
Rest of the world	Europe (5), North America (2), Central and Latin America (6), Asia-Pacific (12), Africa and the Middle East (24)

Newly consolidated country: Albania, Kyrgyzstan, Philippines.

External growth transactions took place mainly in Germany, the United States, the United Kingdom, South Africa, France and the Netherlands.

During the period, entities located in Italy, France, Mauritius and Tajikistan ceased to be eligible for inclusion in the present consolidated financial statements.

Note that in the case of Italy, Mazars SpA continued to be consolidated from 1st September in June 30, 2015.

Given that Mazars Italy's equity was treated in the consolidated financial statements as a financing debt towards the Italian Partners, the Italian firm's deconsolidation was treated as a divestment by the Group.

The impact of entities newly consolidated or divested is presented in note 30.

NOTE 5 : TURNOVER

In thousands of Euros	2013/2014	2014/2015
Fee notes rendered	1,132,086	**1,285,966**
Rebillable costs	-46,819	**-46,444**
Change in work in progress	-4,450	**13,179**
TOTAL	**1,080,817**	**1,252,701**

Revenue for 2014/2015 increased by 15.9% including organic growth of +6%, acquisitions for +6% and a favourable foreign exchange impact of +3.9%.

NOTE 6 : COST OF TECHNICAL STAFF

In thousands of Euros	2013/2014	2014/2015
Personnel costs	526,182	**607,538**
Subcontracting costs	19,202	**24,687**
TOTAL	**545,384**	**632,225**

The cost in 2014/2015 of technical staff increased by 15.9%, in line with the increase in fee income.

NOTE 7 : OTHER COSTS

In thousands of Euros	2013/2014	2014/2015
Property costs	69,687	**77,889**
Tax, Insurance and professional contributions	32,300	**32,341**
General services	32,624	**37,927**
Others expenses	88,737	**109,844**
SUB-TOTAL	**223,348**	**258,002**
Exceptional costs (net)	385	
OTHER COSTS	**223,733**	**258,002**

In comparison with the prior financial year, other costs increased at a slightly slower pace than fee income, mainly as a result of the combined impact of foreign exchange (5%) and of the entities newly consolidated.

The table below provides a breakdown of the Group's indirect costs:

In thousands of Euros	2013/2014	2014/2015
Cost of administrative staff	84,596	**96,704**
Other costs	223,733	**258,002**
Depreciation and provisions	18,243	**23,828**
Amort'n/imp't of relationships and goodwill	4,994	**5,368**
Financing costs	3,188	**4,184**
TOTAL	**334,754**	**388,085**
RATIO INDIRECTS COSTS / TURNOVER	**31%**	**31%**

Indirect costs for 2014/2015 increased by 15.9%, in line with the increase in fee income.

NOTE 8 : SEGMENT REPORTING

The organisation presents segment reporting information in accordance with IFRS 8, i.e. based on the organisation's functioning in line with our internal reporting systems.

Mazars' assets mainly comprise work in progress and amounts billed to clients, as well as intangible assets such as goodwill and client relationships.

The geographical distribution of intangible assets is presented in note 10.

Breakdown by operating segment

With effect from September 1st, 2014, Mazars has been organised for operating purposes by service lines as follows: Audit, Financial Advisory Services (FAS), Consulting, Accounting and Outsourcing Services (AOS), Tax services (TAX) and legal services (LAW).

The prior organisational structure was based on Global Business Units (GBUs) reflecting client type – public-interest entities (PIE GBU) and owner-managed businesses (OMB GBU) – and by service offering (the TAX and LAW GBU).

Consolidated statement of financial position

In thousands of Euros	Client debtors & deferred income	Work in progress & payments on account	August 31, 2015 Total
Audit	140,906	30,288	**171,194**
FAS	9,841	15,005	**24,845**
Consulting	21,603	6,888	**28,491**
AOS	42,410	5,617	**48,026**
Tax	28,985	23,650	**52,635**
Law	3,018	1,379	**4,398**
TOTAL	**246,762**	**82,827**	**329,590**

Consolidated income statement

Most of the data presented for 2013/2014 has been restated, for purposes of comparison, in accordance with the classification presented in 2014/2015.

In thousands of Euros	Turnover	Personnel costs	2013/2014 Gross margin	Turnover	Personnel costs	2014/2015 Gross margin
Audit	402,632	-183,877	218,755	588,115	-289,937	**298,178**
FAS	64,760	-28,237	36,523	94,620	-39,953	**54,667**
Consulting	68,165	-38,378	29,787	101,671	-56,560	**45,110**
AOS	168,046	-88,529	79,517	230,828	-123,240	**107,588**
Tax	117,060	-51,307	65,753	223,177	-114,529	**108,648**
Law	7,627	-4,136	3,491	14,290	-8,006	**6,284**
Not detailled	252,527	-150,920	101,607			
TOTAL	**1,080,817**	**-545,384**	**535,433**	**1,252,701**	**-632,225**	**620,475**

The table below provides the breakdown of data for 2013/2014 restated in accordance with the new reporting structure and data for 2014/2015 for the same scope of consolidation:

In thousands of Euros	Turnover	Personnel costs	2013/2014 Gross margin	Turnover	Personnel costs	2014/2015 Gross margin
Audit	402,632	-183,877	218,755	416,000	-199,538	**216,461**
FAS	64,760	-28,237	36,523	83,191	-34,144	**49,047**
Consulting	68,165	-38,378	29,787	85,665	-47,268	**38,397**
AOS	168,046	-88,529	79,517	158,201	-83,998	**74,203**
Tax	117,060	-51,307	65,753	177,437	-88,925	**88,512**
Law	7,627	-4,136	3,491	11,614	-6,403	**5,211**
TOTAL	**828,290**	**-394,464**	**433,826**	**932,108**	**-460,276**	**471,831**

Breakdown by geographical zone

Activity in thousands of Euros	2013/2014	2014/2015	Change
Europe - Eurozone	544,899	**612,511**	12%
Europe - except Eurozone	246,134	**283,017**	15%
North and South America	163,091	**201,536**	24%
Asia	56,929	**75,015**	32%
Africa & Middle East	69,763	**80,622**	16%
TOTAL	**1,080,817**	**1,252,701**	**16%**

Average personnel - staff numbers	2013/2014	2014/2015	Change
Europe - Eurozone	4,986	**5,674**	14%
Europe - except Eurozone	2,828	**3,053**	8%
North and South America	1,950	**2,169**	11%
Asia	1,937	**2,070**	7%
Africa & Middle East	2,387	**2,496**	5%
TOTAL	**14,088**	**15,462**	**10%**

NOTE 9 : EARNINGS PER SHARE

Earnings per share and net earnings per share from continuing operations:

In thousands of Euros	2013/2014	2014/2015
NUMERATOR		
Group net profit	73	**112**
Group net profit from continuing operations	73	**112**
DENOMINATOR		
Number of outstanding shares, valued at 2.5 Euro each	128,148	**141,263**
Dilutive effect of free share allocations		
Average number of outstanding shares - diluted	128,148	**141,263**
EARNINGS PER SHARE (IN EUROS)		
Earnings per share - basic	0.57	**0.79**
Earnings per share - diluted	0.57	**0.79**
Net earnings per share from continuing operations (excluding discontinued operations) - basic	0.57	**0.79**
Net earnings per share from continuing operations (excluding discontinued operations) - diluted	0.57	**0.79**

No dilutive instruments have been issued.

NOTE 10 : INTANGIBLE ASSETS

Gross values in thousands of Euros	August 31, 2014	Acquisitions		Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Client relations	57,754	2,887		-71	-738	-1,191	3,790	**62,430**
Goodwill	110,655			-333	-5,732	231	8,428	**113,249**
Other intangible assets	34,252	2,788		-2,490	-1,522	2,331	-673	**34,687**
TOTAL	**202,660**	**5,675**		**-2,895**	**-7,992**	**1,371**	**11,545**	**210,366**

Amortizations and provisions in thousands of Euros	August 31, 2014		Amortisation	Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Client relations	-30,225		-4,179		177	213	-1,588	**-35,602**
Goodwill	-5,094		-1,185	81	517	-4,391	-286	**-10,357**
Other intangible assets	-23,760		-3,498	2,381	1,716	-2,246	-43	**-25,451**
TOTAL	**-59,079**		**-8,862**	**2,461**	**2,410**	**-6,424**	**-1,916**	**-71,410**

Net values in thousands of Euros	August 31, 2014	Acquisitions	Amortisation	Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Client relations	27,529	2,887	-4,179	-71	-561	-978	2,202	**26,828**
Goodwill	105,561		-1,185	-252	-5,215	-4,159	8,143	**102,892**
Other intangible assets	10,491	2,788	-3,498	-110	193	85	-715	**9,236**
INTANGIBLE ASSETS- NET	**143,581**	**5,675**	**-8,862**	**-433**	**-5,582**	**-5,052**	**9,629**	**138,956**

The foreign currency gains and losses are primarily related to assets recognised in the United States and the United Kingdom.

'Other intangible assets' largely comprise software amortised on a straight-line basis over one to five years.

The €2.9 million acquisition of client relationships during the period related to acquisitions in the United Kingdom and within the Europe - Eurozone.

The scope impact for client relationships and goodwill related to transactions in:
- France: €1.1 million of acquisitions;
- The Europe - Eurozone: €6.9 million of divestment.

The following table provides a breakdown of client relationships and goodwill:

In thousands of Euros	August 31, 2014		August 31, 2015	
	Client relations	Goodwill	Client relations	Goodwill
United States	10,675	38,502	**12,065**	**45,370**
France	10,315	38,731	**8,444**	**34,185**
United Kingdom	1,751	9,571	**2,008**	**9,389**
Others countries - Europe - Eurozone	356	9,297	**844**	**3,857**
Others countries - Europe - except Eurozone	1,957	271	**1,341**	**269**
Others countries - North and South America	961	2,595	**963**	**2,757**
Asia	1,514	5,103	**1,164**	**5,449**
Africa & Middle East		1,490		**1,615**
TOTAL	**27,528**	**105,561**	**26,828**	**102,892**

The principal amounts disclosed in the consolidated statement of financial position relate to France and the United States. In France, they mainly originated in the 1st September 1995 business combination between Robert Mazars and Guérard Viala. In the United States, they arose in 2010 when Weiser was consolidated within the Mazars Group.

NOTE 11 : PROPERTY, PLANT AND EQUIPMENT

Gross values in thousands of Euros	August 31, 2014	Acquisitions		Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Fixtures and fiftings	49,467	6,916		-2,039	-2,401	9,924	1,488	**63,356**
Vehicles and other items	6,814	765		-1,868	407	269	469	**6,856**
Furniture and office equipment	74,664	11,525		-4,232	6,207	-9,429	2,687	**81,421**
TOTAL	**130,945**	**19,206**		**-8,139**	**4,214**	**764**	**4,644**	**151,634**

Amortizations and provisions in thousands of Euros	August 31, 2014		Depreciation	Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Fixtures and fiftings	-33,588		-5,585	1,833	1,570	-7,576	-783	**-44,128**
Vehicles and other items	-6,073		-936	1,182	-350	2,027	-203	**-4,352**
Furniture and office equipment	-54,190		-8,527	4,100	-4,015	5,115	-1,838	**-59,355**
TOTAL	**-93,851**		**-15,048**	**7,116**	**-2,794**	**-435**	**-2,824**	**-107,835**

Net values in thousands of Euros	August 31, 2014	Acquisitions	Depreciation	Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Fixtures and fiftings	15,879	6,916	-5,585	-205	-830	2,348	705	**19,228**
Vehicles and other items	741	765	-936	-686	58	2,296	266	**2,504**
Furniture and office equipment	20,475	11,525	-8,527	-132	2,192	-4,314	849	**22,066**
PROPERTY, PLANT AND EQUIPMENT, NET	**37,094**	**19,206**	**-15,048**	**-1,023**	**1,419**	**330**	**1,820**	**43,798**

NOTE 12: OTHER NON-CURRENT ASSETS

The following table provides a breakdown of the Group's financial assets:

Gross values in thousands of Euros	August 31, 2014	Acquisitions		Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Available-for-sale financial assets	892	411		-433	523	-28	-3	**1,362**
Loans	3,291	308		-1,771		-1,787	-41	**0**
Deposits (inc. guarantee deposits)	1,582	559		-1,196	-921	1,479	144	**1,648**
Other financial assets	10,578	438		-1,801	-4,312	14,548	52	**19,503**
TOTAL	**16,343**	**1,716**		**-5,201**	**-4,709**	**14,213**	**152**	**22,513**

Provisions in thousands of Euros	August 31, 2014		Amortisation	Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Available-for-sale financial assets	-132							**-132**
Loans	71					-70	-1	**0**
Deposits (inc. guarantee deposits)	-76			4				**-72**
Other financial assets	-2,566		-79	122	1,938	-560	34	**-1,111**
TOTAL	**-2,703**		**-79**	**126**	**1,938**	**-630**	**33**	**-1,314**

Net values in thousands of Euros	August 31, 2014	Acquisitions	Amortisation	Disposals	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Available-for-sale financial assets	760	411		-433	523	-28	-3	**1,231**
Loans	3,362	308		-1,771		-1,857	-42	**0**
Deposits (inc. guarantee deposits)	1,506	559		-1,191	-921	1,479	144	**1,576**
Other financial assets	8,012	438	-79	-1,679	-2,374	13,988	86	**18,392**
NON-CURRENT FINANCIAL ASSETS, NET	**13,640**	**1,716**	**-79**	**-5,074**	**-2,771**	**13,583**	**185**	**21,199**

NOTE 13: TRADE AND OTHER RECEIVABLES

At August 31, 2015, client debtors and work in progress may be broken down as follows:

In thousands of Euros	August 31, 2014	August 31, 2015		
	Net	Gross	Provision	Net
Client debtors	247,736	**302,555**	**-39,527**	**263,027**
Work in progress	83,989	**119,568**	**-12,402**	**107,166**
Payments on account	-20,228	**-24,338**		**-24,338**
Deferred income	-11,444	**-16,265**		**-16,265**
TRADE AND OTHER RECEIVABLES	**300,053**	**381,519**	**-51,930**	**329,590**

The ratio of client receivables and work in progress (net of impairment) to revenue remained relatively stable at 26.3% as at August 31, 2015 compared with 27.8% as at August 31, 2014.

The increased level of work in progress was mainly attributable to acquisitions in Europe.

The ageing of amounts based on their invoicing dates may be analysed as follows:

In thousands of Euros	August 31, 2015	Less than 90 days	90 days to 1 year	More than 1 year
Gross amounts	**302,555**	204,499	58,081	39,975
Impairment	**-39,527**	-2,572	-5,805	-31,150
NET AMOUNTS	**263,027**	**201,927**	**52,276**	**8,825**

The gross amount of receivables includes the value added tax (VAT) applicable in each country. Receivables aged in excess of one year amounted, net of VAT, to €34.2 million and have been the subject of a €31.2 million impairment allowance. As at August 31, 2015, there was no reason to doubt the creditworthiness of receivables due but not impaired, in particular as regards the amounts overdue by more than one year.

NOTE 14: OTHER CURRENT ASSETS

The following table provides a breakdown of the Group's other current assets:

In thousands of Euros	August 31, 2014	August 31, 2015
Social security receivables	1,947	**2,936**
Tax receivables	19,387	**21,126**
Current accounts and other receivables	25,010	**26,354**
Prepaid expenses	19,742	**26,659**
Exchanges differences/unrealized losses	1,307	**39**
TOTAL	**67,392**	**77,114**

NOTE 15: PROVISIONS

In thousands of Euros	August 31, 2014	Additional provisions recognised	Reversed	Change in consolidation scope	Other	Foreign currency gains ans losses	August 31, 2015
Professional risks	2,353	3,503	-2,078	-221	2,814	-22	**6,349**
Post-employment benefit liabilit. except partners	29,208	2,552	-3,939	-1,459	6,416	4,096	**36,875**
Vacant properties	911	112	-386		378	71	**1,086**
Other risks	12,525	3,043	-2,256	-119	-6,037	-13	**7,142**
TOTAL	**44,996**	**9,209**	**-8,659**	**-1,799**	**3,572**	**4,132**	**51,451**

Other risks include provision for specific economic risks and litigation relating to staff.

In thousands of Euros	August 31, 2015	Current portion	Non-current portion
Professional risks	**6,349**	5,893	455
Post-employment benefit liabilit. except partners	**36,875**	5,283	31,592
Vacant properties	**1,086**	155	931
Other risks	**7,142**	5,302	1,840
TOTAL	**51,451**	**16,633**	**34,818**

NOTE 16: POST-EMPLOYMENT BENEFIT AND SIMILAR OBLIGATIONS

Post-employment benefit and similar obligations are determined and accounted for in accordance with the accounting policies described in note 3.21. They apply both to employees and Partners of the Group.

The Group's main obligations under defined benefit plans for retirement and similar benefits are as follows:
- Lump-sum retirement benefits (Germany, France, Ivory Coast, Mexico, Greece, Turkey);
- Supplementary pensions complementing national arrangements (Germany, United Kingdom, South Korea, Switzerland, United States, India);
- Other long-term benefits (India).

Assumptions

At August 31, 2015, the financial assumptions retained for each of the benefit plans mentioned in note 3 on accounting policies are as follows:

	Discount rates 2014	Discount rates 2015	Inflation rate 2014	Inflation rate 2015
Euro zone	2.00%	**2.00%**	2.00%	**2.00%**
India	8.50%	**8.25%**	5.00%	**5.00%**
Ivory Coast	6.50%	**6.50%**	3.00%	**3.00%**
Mexico	6.96%	**6.87%**	4.00%	**4.00%**
South Korea	3.00%	**2.70%**	2.50%	**2.50%**
Switerzland	1.60%	**0.95%**	1.50%	**1.50%**
Turkey	9.16%	**10.00%**	5.00%	**5.00%**
United Kingdom	4.10%	**3.90%**	3.10%	**3.10%**
United States	3.54%	**4.46%**	2.50%	**2.50%**

In accordance with IAS 19 (revised), the net financing cost has been determined on the basis of the opening discount rate.

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

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

In thousands of Euros	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total
Obligation as at 31 August 2015	50,629	10,992	36,831	21,332	1,744	**121,530**
Impact of an increase of 0.5%	-2,057	-770	-2,907	-1,391	-90	**-7,215**
Impact of a decrease of 0.5%	2,187	836	2,976	1,586	95	**7,680**

Information pertaining to plan assets

The benefit obligations are partially financed by dedicated funds with the following allocations for the main plans so financed:

	As at 31 August 2014					As at 31 August 2015				
	Equity securities	Debt securities	Derivatives	Cash	Real estate	Equity securities	Debt securities	Derivatives	Cash	Real estate
France	31%	69%	0%	0%	0%	**30%**	**70%**	**0%**	**0%**	**0%**
Switzerland	25%	51%	5%	2%	17%	**50%**	**25%**	**5%**	**0%**	**20%**
United Kingdom	53%	45%	0%	2%	0%	**65%**	**0%**	**35%**	**0%**	**0%**

Amount of provisions

In thousands of Euros	August 31, 2014 USA	Euro zone	United Kingdom	Switzerland	Other countries	Total	August 31, 2015 USA	Euro zone	United Kingdom	Switzerland	Other countries	Total
Present value of benefit obligations	45,043	11,360	32,744	13,201	1,556	103,904	**50,629**	**10,992**	**36,831**	**21,332**	**1,744**	**121,530**
Fair value of plan assets		3,331	32,154	10,831	139	46,455		**3,501**	**36,926**	**16,429**	**166**	**57,023**
Surplus or (deficit)	45,043	8,029	590	2,370	1,417	57,448	**50,629**	**7,491**	**-95**	**4,904**	**1,578**	**64,507**
Asset ceiling						0			**95**			**95**
Unrecognised actuarial differences						0						**0**
Unrecognised past service cost						0						**0**
NET (PROVISIONS) / ASSETS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	45,043	8,029	590	2,370	1,417	57,448	50,629	7,491	0	4,904	1,578	64,602

Movements in provisions during the year were as follows:

In thousands of Euros	August 31, 2014 USA	Euro zone	United Kingdom	Switzerland	Other countries	Total	August 31, 2015 USA	Euro zone	United Kingdom	Switzerland	Other countries	Total
Opening provision	35,803	6,224	2,767	1,353	1,039	47,186	**45,043**	**8,029**	**590**	**2,370**	**1,417**	**57,449**
Adoption of IAS 19 (revised) (opening reserves)						0						**0**
Actuarial gains and losses (other comprhensive income)	6,208	1,554	-1,616	1,042	84	7,273	**-3,780**	**-482**	**211**	**2,346**	**47**	**-1,657**
Charge for the year	3,543	652	226	529	294	5,244	**11,710**	**250**	**16**	**1,150**	**352**	**13,479**
Benefits paid	-2,187	-402	-788	-554	-69	-3,999	**-2,344**	**-307**	**-817**	**-963**	**-247**	**-4,678**
Changes in consolidation scope/Others	1,676				70	1,746					**10**	**10**
NET (PROVISIONS)/ ASSETS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	45,043	8,029	590	2,370	1,417	57,448	50,629	7,491	0	4,904	1,579	64,602

The changes in consolidation scope include (for the year ended August 31, 2014) an acquisition by our US firm (impact of €1.7 million) and the inclusion of an Indian long-term benefit plan, and for 2015 the inclusion of a Benin post-employment benefit plan.

Changes in benefit obligations and plan assets

Movements in benefit obligations:

In thousands of Euros	August 31, 2014						August 31, 2015					
	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total
Present value of opening benefit obligations	35,803	9,560	29,712	9,128	1,154	85,356	**45,043**	**11,360**	**32,744**	**13,201**	**1,556**	**103,904**
Past service cost for the period	1,232	429		578	119	2,359	**2,083**	**512**		**752**	**182**	**3,530**
Unwinding of discount	1,919	296	1,332	172	83	3,802	**1,798**	**219**	**1,342**	**222**	**120**	**3,701**
Employee contributions				571		571				**810**		**810**
Premiums paid				-134		-134				**-177**		**-177**
Acquisitions/ disposals/ Others	1,676	29			70	1,775		**-414**			**10**	**-405**
Impact of curtailments and settlements						0						**0**
Actuarial (gains) and losses	6,208	1,542	450	1,074	94	9,368	**-3,780**	**-431**	**564**	**2,876**	**76**	**-695**
Benefits paid	-2,187	-496	-959	1,537	-69	-2,174	**-2,344**	**-253**	**-957**	**1,884**	**-247**	**-1,917**
Foreign exchange impact	391		2,209	275	105	2,980	**7,829**		**3,139**	**1,764**	**48**	**12,779**
PRESENT VALUE OF CLOSING BENEFIT OBLIGATIONS	**45,043**	**11,360**	**32,744**	**13,201**	**1,556**	**103,904**	**50,629**	**10,992**	**36,831**	**21,332**	**1,744**	**121,530**

Movements in plan assets:

In thousands of Euros	August 31, 2014						August 31, 2015					
	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total
Opening fair value of plan assets		3,336	26,945	7,775	115	38,170		**3,331**	**32,154**	**10,831**	**139**	**46,455**
Expected return on assets		101	1,223	162	11	1,497		**67**	**1,318**	**190**	**12**	**1,588**
Net premiums invested		46	788	554		1,387		**54**	**817**	**786**	**26**	**1,683**
Employee contributions				571	23	594				**810**		**810**
Actuarial gains and (losses)		-12	2,065	32		2,085		**50**	**447**	**512**	**1**	**1,010**
Curtailment/ Settlment						0						**0**
Benefits paid		-140	-959	1,537	-23	415			**-957**	**1,884**	**-26**	**901**
Foreign exchange impact			2,092	200	13	2,306			**3,147**	**1,416**	**14**	**4,576**
CLOSING FAIR VALUE OF PLAN ASSETS	**0**	**3,331**	**32,154**	**10,831**	**139**	**46,455**	**0**	**3,501**	**36,926**	**16,429**	**166**	**57,023**

Expenses recognised

The net expense for the 2014/2015 financial year may be broken down as follows:

In thousands of Euros	2013/2014						2014/2015					
	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total	USA	Euro zone	United Kingdom	Switzerland	Other countries	Total
Cost of services rendered	1,232	429		445	119	2,225	**2,083**	**512**		**771**	**182**	**3,549**
Interest expense	1,919	194	109	10	72	2,304	**1,798**	**156**	**1,342**	**222**	**120**	**3,638**
Expected return on plan assets						0		**-4**	**-1,318**	**-190**	**-12**	**-1,525**
Change in consolidation scope		29				29		**-414**				**-414**
Amortisation of actuarial differences					10	10					**28**	**28**
Impact of curtailments and settlements						0						**0**
Foreign exchange impact	391		117	74	93	675	**7,829**		**-8**	**348**	**35**	**8,203**
NET EXPENSE FOR THE PERIOD	**3,543**	**652**	**226**	**529**	**294**	**5,244**	**11,710**	**250**	**16**	**1,150**	**352**	**13,479**

Actuarial gains and losses

Actuarial gains for the 2014/2015 financial year amounted to €1.6 million breaking down as follows:

In thousands of Euros	USA	Euro Zone	United Kingdom	Switzerland	Other Countries	Total
Actuarial (gains) and losses on Defined Benefit Obligation	**-3,780**	**-431**	**564**	**2,876**	**76**	**-695**
Experience (gains) and losses	-368	-82	-468	1,545	82	711
(Gains) and losses related to financial asumptions modification	-3,412	-350	1,031	1,331	-6	-1,406
(Gains) and losses related to demographical asumptions modification						0
Actuarial (gains) and losses on Plan Assets		-50	-447	-530		-1,028
Change in the effect of the asset ceiling			95			95
ACTUARIAL (GAINS) AND LOSSES	**-3,780**	**-482**	**211**	**2,346**	**76**	**-1,628**

NOTE 17: BORROWINGS AND CURRENT BANK FINANCING

In thousands of Euros	August 31, 2014	August 31, 2015
Maturing in less than one year	19,463	**19,781**
Maturing in more than one year	66,237	**63,966**
FINANCIAL DEBTS	**85,700**	**83,747**
Current bank financing	25,135	**26,763**
TOTAL DEBT	**110,835**	**110,510**
Cash and cash equivalents	-66,759	**-82,047**
TOTAL NET DEBT	**44,076**	**28,463**

One may note stabilisation of borrowings at €110 million and a €15.6 million reduction in net debt.

REFERENCE CURRENCIES	Borrowing and other financial liabilities*		Current bank financing*		Cash and cash equivalents*		Total net debt*	
	August 31, 2014	August 31, 2015	August 31, 2014	August 31, 2015	August 31, 2014	August 31, 2015	August 31, 2014	August 31, 2015
EUR	62,802	**64,376**	17,073	**20,564**	-38,920	**-39,814**	40,955	**45,126**
USD	10,519	**8,174**		**45**	-1,278	**-5,039**	9,241	**3,180**
GBP			1,360		-587	**-3,218**	773	**-3,218**
SGD	881	**821**			-515	**-1,868**	366	**-1,047**
ZAR	3,212	**2,404**	1,758	**1,096**	-1,407	**-1,157**	3,564	**2,343**
Other currencies	8,286	**7,972**	4,943	**5,058**	-24,052	**-30,952**	-10,823	**-17,921**
TOTAL	**85,700**	**83,747**	**25,135**	**26,763**	**-66,759**	**-82,047**	**44,076**	**28,463**

* This table shows amounts in thousands of Euros.

NOTE 18: NON-CURRENT AND CURRENT LIABILITIES DUE TO PARTNERS

In thousands of Euros	August 31, 2014	August 31, 2015
Non current portion	153,604	**175,009**
Current portion	89,769	**105,214**
TOTAL LIABILITIES DUE TO PARTNERS	**243,373**	**280,224**

In thousands of Euros	August 31, 2014	August 31, 2015
Permanent financing	111,424	**122,360**
including other comprehensive income	*-13,714*	***-15,455***
Provisions for post-employment benefits	38,084	**39,159**
Bond issues	12,734	**22,929**
Deferred tax (net)	-8,638	**-9,439**
NON CURRENT PORTION	**153,604**	**175,009**

The financing of each entity and any subsidiaries is provided by the Partners who control them, in accordance with Mazars' agreements.

A new consolidation tool implemented in 2014/2015 has led a certain number of countries to engage in reclassification impacting their opening balances. For purposes of comparison between August 31, 2014 and 2015, the comparative consolidated statement both as at August 31, 2014 has been restated by reclassifying €6.5 million of non-current liabilities and €4.4 million of current liabilities into payroll liabilities (cf. note 21).

The increase in non-current liabilities towards Partners reflects the impact of changes in scope of consolidation (€9.2 million) and Partners' contribution to permanent financing (€12.2 million).

The impact of other comprehensive income reflects the actuarial gains and losses for post-employment benefit obligations for both Partners and other staff recognised on application of revised IAS 19, during the 2013/2014 accounting period. The change in other comprehensive income is attributable to Partners for €2.3 million and to other staff for -€0.5 million. Related amounts have been reclassified from 'Provisions for post-employment benefits' for Partners, and from 'Post-employment benefit liability except partners' for the other staff.

The increase in current liabilities towards partners reflects increased deferred remuneration (€2 million), the impact of changes in scope of consolidation (€3 million) and an allocation to the financing of the working capital (€10 million).

NOTE 19: FINANCIAL INSTRUMENTS

19.1. Fair value of financial instruments

The fair value of financial instruments is the value disclosed in the consolidated statement of financial position.

19.2. Management of financial risks

The organisation is financed by Partners' permanent financing, by undistributed Partners' remuneration and by entities' borrowings.

In order to manage its activities and financial risks, the organisation has implemented the following structure of governance:
- The Global Executive Board has responsibility for Mazars' operational performance and organic growth;
- The Group Governance Council provides overall supervision of the Global Executive Board;
- The Country Executive Committees are elected for the purpose of directing member entities and their operations at national level, in accordance with the framework defined by the Mazars organisation and including strategic and operational coordination with the Group.

The management of financial risks is thus first and foremost the responsibility of the Country Executive Committees, who may discuss exposures with the other bodies mentioned above depending on their materiality.

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 on bases enabling them to continue to operate as going concerns.

That financing may take a number of forms: equity or current account contributions by Partners, bank loans, current bank financing etc.

Management of currency risk

Each entity in the Mazars organisation undertakes the majority of transactions in the local currency of the environment in which it operates and accordingly, exposure to exchange rate risk is considered to be 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.

NOTE 20: INTEREST RATE DERIVATIVES

Interest rate derivative hedging the senior BRED loan

In March 2013, Mazars SA (France) signed a financing agreement with BRED structured as follows:

- A senior loan facility with a maximum amount of €10 million, for a total period of 7 years, available for drawdown for a maximum of 3 years and repayable in four equal annual instalments commencing in March 2016;
- An investment loan facility with a maximum amount of €10 million, for a total period of 7 years, available for drawdown for a maximum of 2 years and repayable in five equal annual instalments after the anniversary date of the first drawdown.

During the 2012-2013 financial year, the senior loan facility was drawn down for its full amount of €10 million and the investment loan facility in the amount of €4.7 million.

In June 2015, use of the investment loan facility was increased by €1.3 million and in parallel, an addendum to the BRED contract reducing the maximum amount of the facility from €10 million to €6 million was signed at the request of Mazars SA.

Taking account of the 2nd contractual annual repayment of the investment loan, amounting to €0.9 million in August 2015, the residual balance of the two loans amounts to €14.2 million as of August 31, 2015.

Interest caps for the two loans were taken out in July 2013. As at August 31, 2015, the market value of the derivative hedging the senior loan amounted to €11 thousand and the market value of the derivative hedging the investment loan, to €5 thousand. The change in value over the period (a time cost of €26 thousand) has been recognised as a financial expense.

Both the prospective and retrospective tests performed confirmed the effectiveness of the hedges, so no adjustment to the derivatives' intrinsic value was recognised as part of either profit and loss or other comprehensive income.

NOTE 21: TRADE AND OTHER PAYABLES

In thousands of Euros	August 31, 2014	August 31, 2015
Trade and other payables	114,529	**105,131**
Social contributions	64,389	**90,063**
Tax payable	49,719	**54,451**
TOTAL	**228,637**	**249,645**

Most operating liabilities have maturities not exceeding one year.

The increase in payroll liabilities mainly relates to France, the United Kingdom, the United States and the impact of changes in scope of consolidation.

NOTE 22 : CORPORATE INCOME TAX

Tax payable breaks down as follows:

In thousands of Euros	2013/2014	2014/2015
Tax payable by Partners	9,179	**8,546**
Tax payable by organisation	2,210	**2,369**
Tax payable by Mazars SCRL	68	**76**
TOTAL	**11,457**	**10,991**

The amount of deferred tax is as follows:

In thousands of Euros	August 31, 2014	August 31, 2015
Deferred tax assets	10,950	**11,817**
Deferred tax liabilities	-2,312	**-2,378**
TOTAL	**8,638**	**9,439**

The deferred tax assets are primarily generated by elements of Partners' remuneration (post-employment benefit obligations).

The deferred tax liabilities relate to amortisable client relationships for which the requisite financing is provided by the Partners.

Net deferred tax assets are thus treated as a deduction from 'Non-current liabilities due to Partners'.

NOTE 23 : CONTINGENT LIABILITIES

There were no contingent liabilities at August 31, 2015 or 2014.

NOTE 24 : NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

24.1. Working capital requirement

The working capital requirement fell by €3.1 million as a result of:
- €8.7 million of additional client receivables and work in progress;
- €17.2 million of additional current liabilities;
- €5.3 million of additional other current assets.

24.2. Acquisitions of intangible assets and property, plant and equipment

Intangible assets acquired during the period mainly related to the Netherlands and the United Kingdom and comprised software developments by the Group.

Property, plant and equipment acquired during the period essentially comprised office and computer equipment as well as expenditure on fitting out new offices.

24.3. Acquisition of other non-current assets

Other non-current assets acquired during the period mainly related (for €11.5 million) to the Group's growth in Germany.

24.4. Disposals of other non-current assets

Disposals of other non-current assets related to France (€3 million), Germany (€3.1 million), the Unites States (€1 million) and other countries (€2.6 million).

24.5. Net cash of entities acquired and divested

Net cash for entities acquired mainly related to France (EQR) and Germany (RBS), whilst that for entities divested mainly related to France (ADH) and Italy

24.6. Subscription/repayment of loans

Loans subscribed and repaid mainly related to France and the Unites States.

NOTE 25 : AUDITORS' FEES

The auditors' fees were as follows:

In thousands of Euros	2013/2014	2014/2015
Crowe Clark Whitehill (ex Horwath) Audit fees	457	**494**
Audit fees - other auditors	997	**900**
TOTAL	**1,454**	**1,394**

The auditors have not provided any services to Mazars SCRL or its subsidiaries other than those involved in auditing their financial statements.

NOTE 26: RIGHTS TO SURPLUS ALLOCATED TO THE MEMBERS OF THE GROUP EXECUTIVE BOARD AND THE GROUP GOVERNANCE COUNCIL

The rights of surplus payable to the seven members of the Group Executive Board, the executive body of Mazars SCRL, and the members of the Group Governance Council amounted to €11 million for the 2014/2015 financial year. It was either paid during the year or constitutes a current liability.

Those members are considered to be the only Mazars related parties as defined by IAS 24.

NOTE 27: HEADCOUNT

Average full-time equivalent employees	2013/2014	2014/2015
Partners	748	**788**
Technical staff	11,401	**12,548**
Administratif staff	1,939	**2,126**
TOTAL	**14,088**	**15,462**

NOTE 28: CONTINGENT ASSETS AND LIABILITIES

In thousands of Euros	August 31, 2014	August 31, 2015
Less than 1 year	46,407	**54,550**
1 to 5 years	143,917	**170,624**
More than 5 years	43,020	**35,008**
MINIMUM RENT	**233,344**	**260,182**
INCOME FROM SUB-RENTAL	**7,751**	**7,110**
CAUTION GIVEN	**15,954**	**13,356**

NOTE 29: EVENTS AFTER THE REPORTING DATE

No significant events have occurred after the reporting date that might have had an impact on the 2014/2015 financial statements.

NOTE 30: IMPACT OF ENTITIES NEWLY CONSOLIDATED OR DIVESTED DURING THE YEAR

	RBS	EQR (France)	Other	Total newly consolidated	ADH (France)	Italy	Other	Total divested	Total Net
Merger date	01/01/15	01/01/15	01/01/15		31/08/15	30/06/15	01/09/14		
FULL-TIME EQUIVALENT EMPLOYEES									
Partners	38		1	**39**		-5	-2	**-7**	**32**
Technical staff	370	14	13	**397**		-64	-25	**-89**	**308**
Administrative staff	94		1	**95**		-9	-5	**-14**	**81**
TOTAL	**502**	**14**	**15**	**531**	**0**	**-78**	**-32**	**-110**	**421**
CONSOLIDATED INCOME STATEMENT IN THOUSANDS OF EUROS									
Turnover	55,000	1,182	534	**56,715**		-4,600	-692	**-5,292**	**51,423**
Surplus	9,600	-212	183	**9,571**		-1,500	-34	**-1,534**	**8,037**
ASSETS AT AUGUST 31, 2015 IN THOUSANDS OF EUROS									
Total non-current assets	3,485	1,400	110	**4,994**	-9,283	-2,709	-20	**-12,012**	**-7,017**
Total current assets	45,735	925	462	**47,122**	-6,694	-19,722	-582	**-26,998**	**20,124**
TOTAL	**49,220**	**2,325**	**572**	**52,116**	**-15,977**	**-22,431**	**-602**	**-39,009**	**13,107**
LIABILITIES AT AUGUST 31, 2015 IN THOUSANDS OF EUROS									
Non-current and current liabilities due to partners	22,561		416	**22,977**		-9,672	-113	**-9,785**	**13,191**
Other non-current liabilities	3,017	40		**3,057**	-392	-386		**-778**	**2,279**
Other current liabilities	23,642	810	156	**24,609**	-13,011	-12,372	-488	**-25,871**	**-1,262**
TOTAL	**49,220**	**850**	**572**	**50,642**	**-13,403**	**-22,431**	**-602**	**-36,435**	**14,208**

The income statement data included in the table above discloses the impact on the income statement for 2014/2015 of the changes (+/-) in scope of consolidation with effect from the transaction dates indicated in the table.

The amounts shown in 'Non-current assets' include in particular goodwill for the applicable operations, computed as the difference between the cost of acquisition and the fair value of client relationships comprising audit appointments, contracts (for accounting services in particular) and a portfolio of client relationships of finite duration.

The consolidated data at August 31, 2015 does not enable to identify the totality of the impacts at the consolidated balance sheet level for the external growth operations as mentioned in Note 4 concerning the United States, Brazil, the United Kingdom, South Africa, Italy, Kyrgyzstan, Romania and Sweden and are therefore not included in the table above.

INDEPENDENT AUDITORS' REPORT

To the Partners of Mazars SCRL,

In compliance with the terms of our non-statutory appointment, we have audited the consolidated financial statements of Mazars SCRL and the entities that form the Mazars organisation, which comprise the statement of financial position as at 31 August 2015, and the income statement, 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 30).

GROUP EXECUTIVE BOARD'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Group 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 control 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Group Executive Board, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Mazars SCRL and the entities that form the Mazars organisation as at 31 August 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Brussels and London, December 4, 2015

André Kilesse
Belgium

Crowe Clark Whitehill LLP
Steve Gale
United Kingdom

Crowe Clark Whitehill LLP

TRANSPARENCY REPORT

We are pleased to introduce the 2014-2015 Transparency Report for the global Mazars organisation.

Specialising in audit, advisory, accountancy, tax and legal services, Mazars is a leading integrated and independent organisation, whose international scope is expanding every year. As of August 31, 2015, Mazars operated in 74 countries around the world, with more than 15,500 highly qualified professionals. Our consolidated turnover for the year 2014-2015 totaled €1252.7 million, representing an increase of 15.9% over last year's activity.

TRANSPARENCY AND RESPONSIBILITY

Last year, in our annual report, we took a significant first step towards the presentation of our financial and non-financial performance in an integrated manner. Our goal was to show how the true value of our organisation cannot be measured only by figures and data, but also has to take into account our strategy, our governance model, our clients and prospects.

A year later, we are even more convinced that our sustainable growth will depend upon our ability to integrate the interests of our stakeholders into our own business model. We believe that businesses and their stakeholders are truly interdependent and that the value we create through the quality of our services will also benefit our clients, our partners and our ecosystem. This is what we call 'Shared Value' and this is what we strive to achieve in everything we do.

As we celebrate the 75th anniversary of Mazars, and the 20th anniversary of our international integrated partnership, we keep searching for ways to become more transparent, more open to our environment and more contributive to the building of a better, fairer and stronger business community and society as a whole, while remaining true to our founding values of technical and ethical excellence.

OUR COMMITMENT TO RESPONSIBILITY GOES FAR BEYOND LIP SERVICE

Our values and our fundamental belief in the need to share them and collectively put them into action, for the short, medium and long-term benefit of all those we serve, all those who work with us and all those who we relate to, are what is driving and guiding us on a daily basis.

We are playing an active part in the work of international professional bodies and contributing regularly to their working groups, and the regulatory developments affecting our activities (IFAC, IASB...). To us, contributing to open debates in our profession and beyond is just a natural extension of our role as auditors and advisors who act for the public interest, in all independence.

We are thus constantly evolving (and fostering) our methodologies and our service offering to meet and anticipate our clients' needs and help them, for instance, in their approach to non-financial reporting. Thus, we deliver corporate social responsibility and anti-corruption certifications. We will continue to promote and enhance transparency in assurance reporting.

Our talent acquisition, management and development policies, and our risk management policies, ensure the best people work efficiently for the quality of other services, in synergy with our clients' teams. Talent development is notably reflected in the educational programs we have initiated under the umbrella of the Mazars University.

Our desire to play our part in the shaping of our profession and the business community in the years to come also explains our active sponsorship of and participation in major international events.

We believe all of that makes us unique amongst the world's leading professional services organisations. And we intend to stay that way, because we are convinced this is what our stakeholders expect form us.

Paris La Défense, November 30, 2015

Philippe Castagnac **Jean-Luc Barlet**

In compliance with existing regulations, the full version of the Transparency Report is available on **www.mazars.com.**

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