



RSM International
global excellence in audit, tax & consulting

Frequently asked questions about RSM International

with you
every step of the way

What is RSM International?

RSM International is the sixth largest network of independent accounting and consulting firms in the world. RSM is represented by more than 32,000 professionals in over 700 offices in 80 countries.

When was RSM International formed?

RSM International has been in continuous existence since 1964, when it began as a small network that was originally called DRM.

In 1993 the network restructured and changed its name to RSM International.

What does RSM stand for?

Historically, the prefix 'RSM' was derived from the initials of three of the original member firms of the network. However, the historical foundation of the 'RSM' name no longer bears any relevance to the network.

RSM International Limited is our legal name and 'RSM' is our brand/logo, and as such defines our network as it is today.

When was the current RSM logo adopted?

The current RSM logo was adopted in 2002. The 'global excellence in audit, tax & consulting' tagline was added in September 2008.

RSM International

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Is RSM a network or one global firm?

RSM International is a network of independently owned and managed accounting and consulting firms.

As such, the following wording is added to all RSM International publications and similar language should also be used by RSM member firms, when referring to RSM International, in addition to their own firm's legal disclaimer.

RSM International is the name given to a network of independent accounting and consulting firms each of which is independently owned and managed and practices in its own right. RSM International does not exist in any jurisdiction as a separate legal entity. The network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 11 Old Jewry, London EC2R 8DU. Intellectual property rights used by members of the network including the trademark RSM International are owned by RSM International Association, an association governed by articles 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

Where is RSM International represented?

RSM International is represented in 80 countries as shown in bold on the map below.

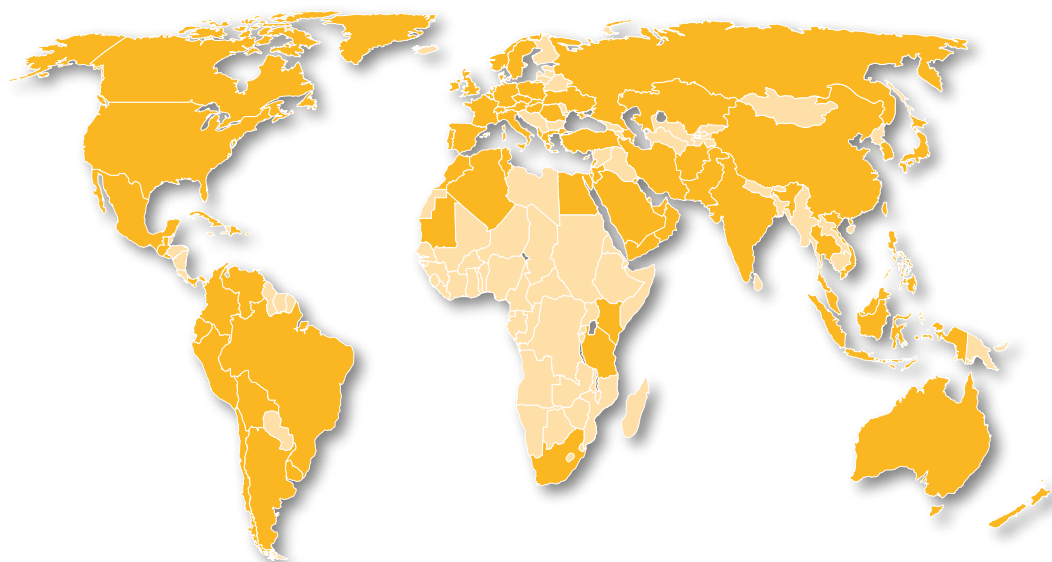
Member coverage is strongest in North America, Europe, Asia Pacific and Latin America. A strategic growth plan is under way in the Middle East and Africa.

For a full list of RSM member and correspondent firms, refer to the RSM International Directory that lists firms' names, locations, membership status and contact details. There is also an online directory at www.rsmi.com.

How should I describe RSM International to a client or contact?

RSM International is a global network of independent accounting and consulting firms. RSM International has member firms in 80 countries and is represented in each of the top 40 major business centres throughout the world. The combined network has more than 32,000 professionals in over 700 offices around the world.

Member firms of RSM International are driven by a common vision of providing high quality professional services, both in their domestic markets and in serving the international professional service needs of their client base. Member firms are recruited based on their commitment to apply world-class standards and to share a common work ethic of delivering high quality and timely results for their clients. Member firms must meet a number of strict membership requirements before being admitted to the network.



RSM International member firms have experience with all sizes of clients and types of assignments, ranging from large publicly listed and public sector clients through to owner-managed businesses. Member firms are well-established practices of high local standing, often ranking within the top ten in their own country.

Our members provide the core service lines of audit & assurance, accounting, risk management, tax, transaction support, corporate recovery & insolvency and IFRSs services. RSM member firms also provide a diverse range of business solutions and consulting services, including corporate finance, cross-border tax and expatriate services, corporate governance and risk assurance services, business restructuring, outsourcing and general management consultancy.

What are RSM International's expectations of member firms?

RSM has clearly defined expectations of all member firms, such as

- The firm's management should lead with a positive tone and proactive attitude to RSM
- Personnel should be actively encouraged to learn about international capabilities and appropriate staff should be supported to contribute hours/knowledge to building RSM
- Actively promoting RSM to the market
- Sharing best practices and materials
- Referring clients with international needs to other RSM member firms and serving referred clients at the highest level
- Commitment to discussing the international needs of clients and RSM capabilities with all new clients and prospects
- Working with other RSM member firms to develop opportunities to win work
- Compliance with the RSM Communication Guidelines
- Responding to requests in a timely manner and providing statistical data when requested

Does RSM International have a formal governance structure?

Yes. The RSM network is led by the Board of Directors made up of representatives from a number of member firms. The Board selects a Chairman and a Chief Executive Officer. The Board is responsible for developing the overall strategy for the network, which is implemented by the CEO, together with a team of staff in the RSM Global Executive Office (EO).

The CEO and EO staff are responsible for a wide range of issues regarding strategy, direction and administration of the network, including:

- International brand platform and messages
- Market movements, competitors, international client needs
- Geographical member firm coverage
- Inspections of existing and due diligence of prospective member firms
- Quality, audit methodology and global independence policies
- Central talent development initiatives, e.g. RSM Academy
- International audit training/CPD guidelines and materials
- Marketing materials, brochures and publications
- Supporting technical committees

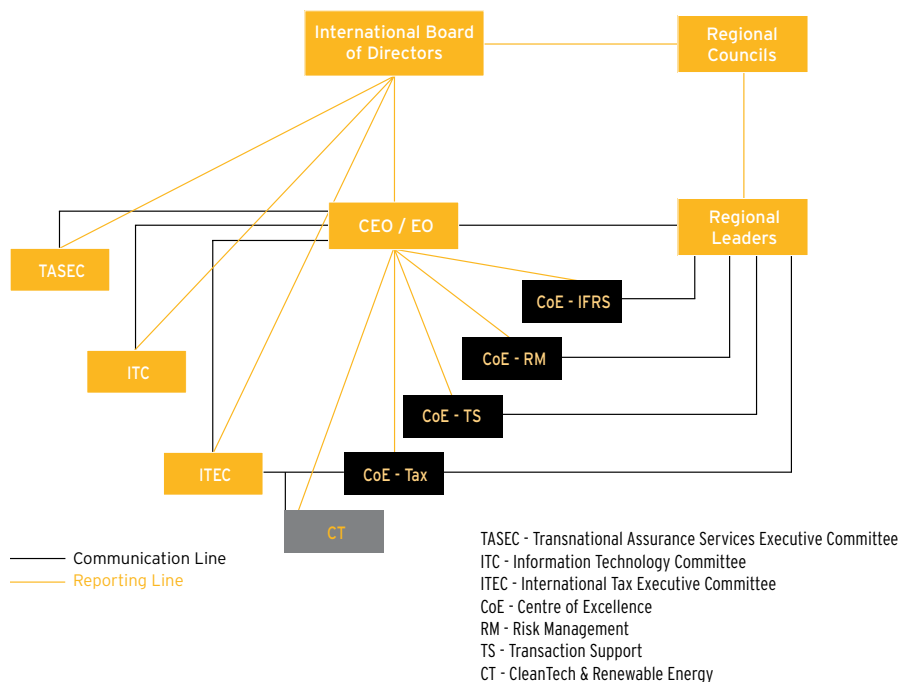
RSM International has executive committees and regional Centres of Excellence (CoE) that deal with specific service lines or support issues. These include the Transnational Assurance Services Executive Committee (TASEC), the International Tax Executive Committee (ITEC), and the IT Committee.

TASEC is responsible for setting the audit methodology and policies that all member firms agree to adopt, as well as other audit related policies such as those dealing with quality control, ethics and independence and training and CPD. Similarly, ITEC sets the quality control standards for tax services.

The CoEs mainly focus on international business development and/or technical excellence as applicable to specific service lines, such as risk management.

What regional structures are in place?

The member and correspondent firms of RSM International are organised into geographic regions for the purposes of business development, administrative issues, quality control programmes and for coordination of cross-border or multinational team assignments.



Currently, the regions are constituted as follows: Asia Pacific, Latin America, North America, Europe, the Middle East and Africa.

The Asia Pacific, Latin America, Europe and the Middle East regions have a governance structure that takes the form of Regional Councils. These councils consist of the managing partners from each of the member firms in that region and they are responsible for regional business development activities, raising the profile of RSM regionally, international client service support, member firm engagement and alignment with RSM strategy. We are currently in the process of developing a full structure for the Africa region.

Each region has a regional director who works with the Regional Council. The regional directors are experienced in cross-border client services and have developed a high level of familiarity with the member firms and correspondents in the region.

Does RSM have branding guidelines that member firms must adopt?

Yes. RSM International has detailed communication guidelines for use by both provisional and full member firms. The latest RSM Communication Guidelines were released in March 2010 and cover the look and feel of all communications, including firm logos, stationery, brochures, newsletters and electronic media. Supporting materials are available including a large stock of approved images, Powerpoint and literature templates and website design files.

How do member firms keep up to date with the activities within the network?

RSM has a secure online 'members-only' intranet website for all personnel of RSM member firms called RSM Connect. Personnel in member firms can download pdfs of all internal materials, such as quality documents, technical information

and training materials as well as RSM Eye - the monthly newsletter for RSM personnel. RSM Eye is a good source of information on what is happening in RSM around the world. RSM Connect also has an events calendar and a member firm database with facts and figures and service line capability information for each member firm. All internationally active personnel in member firms are highly encouraged to enter their details on this database.

How do you build strong relationships between member firms?

Having close and strong relationships between the partners in RSM member firms around the world is a crucial factor enabling us to deliver exceptional client service. Building these close relationships has always been a top priority for the network.

We hold annual conferences in all regions, as well as a three-day annual global conference. Aside from this, the regional operating groups, CoE's and other technical committees further encourage partners and internationally active staff to meet regularly to share best practices, develop an understanding of other cultures and build cross-border teams.

What professional training and support is provided by RSM International?

RSM has a comprehensive programme of training activities and policies for Continued Professional Development. Technical training includes extensive training materials for audit professionals, as well as other service line technical training. The EO also hosts a number of webcast training sessions on topics including IFRSs, risk management and audit updates.

The RSM Academy is an annual week-long residential development programme for senior managers, directors and junior partners from member firms world-wide. Delegates at the RSM Academy attend to improve their international technical and

managerial skills and to obtain a thorough understanding of the objectives of RSM, ultimately enabling member firms to provide quality cross-border services to clients within the RSM network.

What is the relationship between IFAC, the Forum of Firms and RSM International?

The International Federation of Accountants (IFAC) is the global organisation for the accountancy profession, committed to protecting the public interest by developing high-quality international standards, promoting strong ethical values, encouraging quality practice and supporting the development of all sectors of the profession around the world. Its current membership consists of 157 professional accountancy bodies in 123 countries, representing more than 2.5 million accountants in public practice, education, government, industry and commerce.

Through its independent standard-setting boards, IFAC develops international standards on ethics, auditing and assurance, education and public sector accounting standards. It also issues guidance to support professional accountants in business, small and medium practices and developing nations. In addition, IFAC issues policy positions on topics of public interest.

The Forum of Firms (FoF) is an organisation of international networks of accounting firms that perform audits of financial statements that are or may be used across national borders. Members of the FoF voluntarily agree to meet certain requirements as detailed in the FoF Constitution.

In August 2010, Robert Dohrer, National Director of Assurance Services for McGladrey & Pullen, a US member firm of RSM International, was appointed Chairman of the IFAC Forum of Firms for a three year term. Bob Dohrer also chairs RSM's TASEC, the international committee that oversees application of professional standards across RSM International's member firms.

RSM International is a full member of the FoF. The FoF membership obligations require that members:

- Maintain appropriate quality control standards in accordance with International Standards on Quality Control issued by the IAASB in addition to relevant national quality control standards and conduct, to the extent not prohibited by national regulation, regular globally coordinated internal quality assurance reviews
- Have policies and methodologies for the conduct of transnational audits that are based, to the extent practicable, on International Standards on Auditing
- Have policies and methodologies which conform to the IFAC Code of Ethics for Professional Accountants and national codes of ethics

RSM International member firms are represented on various other professional international committees including the International Accounting Education Standards Board, the International Auditing & Assurance Standards Board, the International Ethics Standards Board for Accountants and the Global Institute of Internal Auditors Board.

What policies and procedures do RSM member firms agree to adopt and align with?

- RSM Quality Assurance and Risk Containment Policies & Procedures
- RSM Audit Manual
- RSM Model Audit Programme Sheets (referred to as MAPS)
- RSM Ethics and Independence Policies
- RSM Assurance Services Training and CPD Policies
- RSM Member Firm Inspection Programme Policies and Guidelines

What is the International Desk in RSM member firms?

Each member firm is required to establish an International Desk and appoint an International Contact Partner (ICP). This serves as a key differentiator for RSM International and the main functions of a fully operational International Desk/ICP are to:

- Serve as the main point of contact for the firm with the RSM Executive Office, Regional Director or other RSM member firms
- Serve as the central point for all inbound and outbound enquiries and referrals throughout the firm, for any service line and track all enquiries and referrals
- Develop and maintain materials, information pieces, skills databases and other programmes to communicate international capabilities to firm personnel, clients and prospective clients
- Direct and engage in business development initiatives with other RSM member firms, especially those with the greatest potential for creating inbound referrals to the firm
- Provide international infrastructure support to the firm, which could include international CPD, events and conferences, secondments, international tender proposal coordination, etc.

Depending on the size of each firm and the volume of its referral activity, the International Desk can range from being one contact partner to a small team of staff.

What are the RSM Referral Protocols?

The RSM Referral Protocols were introduced to assist member firms to manage international engagements in the most effective way.

The protocols apply to all service lines and are designed to ensure that:

- The best possible people and resources in each country are assigned to an international client
- A client's needs are placed before that of a single partner, office or firm
- Clients receive seamless service across borders
- There is constant communication between the teams in different countries serving a client. This results in details such as scoping, billing, time frame, deliverables and other important matters being agreed up front to improve the quality of the service provided.

Do member firms have to report their inbound and outbound referral work to RSM International?

Yes, reports are due each quarter. The reports should be sent to the RSM Global Executive Office no later than one month after the end of each quarter. Measuring the value of the amount of work we do together is important in managing the network. Timely submission of these reports is appreciated. Referrals are reported in US dollars.

Who is responsible for reporting referrals to the Executive Office?

The International Desk at each firm is responsible for this. Each International Desk should establish systems and procedures in the firm to ensure partners report all inbound and outbound work in order to facilitate complete and timely reporting.



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