Dating back to the founding of the modern profession by W.W. Deloitte in 1845, the work of auditors makes an impact that matters. As it was then, and continues to be today, delivering high-quality audits is our top priority. The miracle of modern global markets is only made possible when investors trust corporate financial statements and disclosures. As independent auditors, we enhance trust in the companies we audit, helping a multi-trillion dollar capital markets system function with greater confidence.

Our work helps the markets to trade with trust and confidence—the companies we audit represent more than $7.5 trillion of market capitalization.

Our services facilitate capital formation—enabling existing businesses to grow and expand, and entrepreneurs to raise the capital that fuels innovation.

Our independent, outside-in perspective delivers insights that enable clients to run more effective organizations—driving economic growth, job creation, and innovation in the broader economy.
### Delivering Excellence

Committed to lead the profession, we are transforming the audit to deliver enhanced quality, value, and insights.

### Executing high-quality audits

- **Over 50%** reduction in PCAOB comments since 2011
- Institutionalized a culture of continuous improvement

### Investing in our people

- **$300 million** state-of-the-art learning center
- Fostering a culture of **inclusion** and empowered well-being
- Leading-edge **16-week family leave** program

### Transforming through innovation

- **Several hundred million dollars** invested in advanced technologies, analytics, and process transformation
- **11 next-generation** applications and analytics tools
- Launching global, next-gen, cloud-based audit platform
- **Audit Innovation Challenge**: 600 ideas since inception
- **Campus Audit Innovation Challenge**: 300 students participating in 2017
- **International Accounting Bulletin Excellence in Innovation**: Argus, Icount, Signal, and Disclosure Analytics

### Being recognized for our leadership

- **Top Accounting Firm** Among the Big Four
- **Lendit Industry Awards** 2017 WINNER
- **CEO Reader Choice**

### Seeking outside-in perspectives

- Collaborating across eminent stakeholders
- Unique Audit Quality Advisory Council
- Teaming with academia
- Working across audit committees, business leaders, and investors
Contents

A message from our leadership 1
Our responsibility, our commitment 2
Understanding the needs of our stakeholders 3
Transforming the audit through innovation 6
Investing in tomorrow’s talent 9
Monitoring our practice and holding ourselves accountable 11
Shaping the future of the profession 14
Excellence, every day 17
To the clients and stakeholders of Deloitte & Touche LLP:

We are at a pivotal time for the audit profession. The proliferation of advanced technology is driving transformational change in auditing—creating opportunities to deliver audits that are higher quality, more insightful, and closer to real time than ever. At the same time, stakeholder expectations of the audit profession continue to expand. Investors and clients are increasingly calling upon the profession to deliver insights and assurance on market-moving information beyond the reach of the traditional financial statements. It is an exciting time, and we must capitalize on the opportunity to solidify the central role we play within the capital markets by further enhancing our value proposition.

We take great pride in the crucial role Deloitte & Touche LLP serves in bringing stability and trust to the capital markets. Within this report we will share how we are continuously improving audit quality—the foundation for everything we do—and our vision for building a bright future in our profession. Among the topics covered in this report are:

- The investments we have made to integrate cutting-edge technologies with our risk-based methodology to drive enhanced audit quality today, while exploring the next generation of valuable assurance services we will deliver to the markets tomorrow;
- The expansion of our learning and development programs to build the skills required of the next-generation auditor in a digitally-driven future;
- Our commitment to soliciting outside feedback from critical stakeholders through our Audit Quality Advisory Council, audit committees, and academia;
- Insights into some of the quantitative metrics we use to monitor our practice and hold ourselves accountable for quality;
- Our talent development and retention practices that contribute to low levels of turnover—including fostering an inclusive culture of courage that attracts world-class talent and empowers our professionals to find authentic connections and a sense of belonging, to champion well-being for themselves and for others, and to grow as leaders; and,
- Steps we are taking to drive consistency in the execution of high-quality audit services within the global Deloitte Network.

We aspire to the very highest standards of audit quality. To that end, we are confident that our ongoing digital transformation, along with the investments we continue to make in our audit processes, policies, and quality controls, will serve the interests of the investing public and the companies we audit. We welcome your feedback.

Sincerely,

Joseph B. Ucuzoglu
Chairman and Chief Executive Officer
Deloitte & Touche LLP

Catherine M. Engelbert
Chief Executive Officer
Deloitte
Our responsibility, our commitment

At Deloitte, audit quality is our highest priority. Quality informs every aspect of our audit practice, from strategy to delivery, and guides every step we take to support and develop our professionals. Our pursuit of audit quality is at the center of our culture of continuous improvement and innovation, as we seek to make our best work today even better tomorrow. Committed to lead, we are raising standards of audit quality across the global Deloitte Network and across the profession.

This report focuses on the steps we are taking to further enhance audit quality, the investments we are making to transform the audit, and our commitment to embracing a bold, new mindset as we continue shaping the future of the audit profession.

Reinforcing trust and stability in the capital markets

As auditors, we play a vital role in facilitating increased transparency in the capital markets. It is our responsibility to keep quality consistently high across all of our audits. We are dedicated to continuous improvement at every level of our organization and unwavering in our efforts to deepen accountability at every step of the audit process.

Our culture of continuous improvement is firmly rooted in accountability. Our leaders set the tone, holding themselves accountable and clearly communicating our commitment to audit quality. This tone at the top begins with senior leadership and continues through to our practice offices and engagement team leadership. Our focus on audit quality is evident through the direct involvement of leaders at all levels in audit quality activities and consistent dissemination of quality-emphasizing messages through various communication channels throughout our practice. Our professionals are accountable for demonstrating high levels of integrity and professionalism at all times.

We invest in the development of all of our professionals. Ultimately, audit quality comes down to the work they do every day. We couple learning and development with strong performance management, and we continue to set expectations, metrics, and incentives that are tightly aligned with achieving high-quality objectives.

We have also made substantial, comprehensive investments in our audit practice to improve the consistency of audit execution and respond to evolving investor demands. With emerging capabilities and technologies, such as data analytics and artificial intelligence, and smarter approaches to managing and monitoring audit teams and the audit process, we continue to accelerate our progress. Our investments also include sharing our intellectual capital across our global network to achieve consistent execution of high-quality audits around the world.

The companies we audit and the investing public will benefit directly from these advances.

“Through our enhanced risk-based methodology combined with advanced technologies, we have an ability to identify areas of interest during the audit process to focus where it matters most—resulting in a high-quality, more insightful audit.”

—Dave Sullivan
National Managing Partner, Quality & Professional Practice
Deloitte & Touche LLP

Audit Imperatives

We have deployed global Audit Imperatives that provide core principles and priorities for executing the highest quality audits, and that highlight for engagement teams critical actions and considerations that can be taken on all engagements around the globe in driving professional excellence.

Core Quality Principles

Act with integrity, ethics, and professionalism  
Recognize the important role of auditors  
Always learn  
Continually improve  
Live audit quality

Audit Priorities

1 Internal control  
2 Risk assessment  
3 Accounting estimates  
4 Consultations  
5 Transformation of audit delivery  
6 New accounting standards  
7 Optimization of audit execution  
8 Supervision
Understanding the needs of our stakeholders

As we continue to transform the audit process, we believe it is imperative that our actions are informed by outside perspectives and stakeholder expectations. Ongoing dialogue and collaboration with key stakeholders help guide our efforts to improve audit quality. Leveraging insights from across our multidisciplinary organization, we engage with audit committees, collaborate across the profession, and bring investors into the dialogue. We are committed to sharing our latest and best thinking to help drive enduring impact to the capital markets.

Audit Quality Advisory Council

Our Audit Quality Advisory Council (AQAC), formed in 2013, comprises eminent representatives from a cross-section of important constituencies.

Members of the AQAC provide input to Deloitte based on their current and prior leadership roles and experiences as academics, regulators, investors, standards setters, audit committee members, and public company executives. Our dialogue with the AQAC is robust and focuses on topics shaping the future of the profession, such as our initiatives related to continuous quality improvement in the United States and globally, innovation and transformation, implementation of new accounting and auditing standards, and the future of assurance. Members of our AQAC include:

**Daniel Goelzer, Chair**
Mr. Goelzer is an attorney in private practice at Baker and McKenzie LLP, specializing in corporate governance, compliance with disclosure and reporting requirements, and the auditor/public company relationship. He is a founding board member and former acting chair of the Public Company Accounting Oversight Board (PCAOB) and served as general counsel of the US Securities and Exchange Commission (SEC). He is a member of the Sustainability Accounting Standards Board (SASB).

**Arnold Hanish**
Mr. Hanish is retired from Eli Lilly and Company, where he was vice president and chief accounting officer. He is a former member of the PCAOB Standing Advisory Group and currently serves as a public company board member. In addition, he serves as chair of the audit committee of a municipality. Mr. Hanish is a member of the Financial Executives International Hall of Fame.

**Jon Lukomnik**
Mr. Lukomnik is a managing partner of Sinclair Capital LLC, a strategic consultancy to corporations, institutional investors, and the investment management industry. He is also the executive director of the Investor Responsibility Research Center Institute and a member of the PCAOB Standing Advisory Group. He has been honored by the National Association of Corporate Directors, the International Corporate Governance Network, Ethisphere, and Global Proxy Watch, among others. Mr. Lukomnik has been the investment advisor or a trustee for more than $100 billion in institutional investments in his career.

**Zoe-Vonna Palmrose**
Dr. Palmrose is the Accounting Circle Professor Emerita of Accounting at the University of Southern California. She served as deputy chief accountant for Professional Practice in the Office of the Chief Accountant at the SEC. She was a member of the Public Oversight Board’s Panel on Audit Effectiveness and the American Institute of Certified Public Accountants’ (AICPA) Auditing Standards Board Fraud Task Force.
Engaging with audit committees and business leaders

In our role as auditors, we take seriously our reporting relationship to each company’s audit committee, embracing the chance to have candid, two-way conversations that strengthen audit quality and help the audit committee execute its fiduciary responsibilities. We are encouraged by recent trends in audit committee reporting, with many committees voluntarily enhancing the disclosure provided to investors around the rigorous oversight they provide of our audit services.

Our commitment to audit committees goes far beyond the individual engagement—it extends to being at the forefront of the conversations across the audit committee community. We strive to contribute to strong governance by bringing thought leadership, industry knowledge, and business insights to every conversation we have, drawing on the vast pool of research and hands-on audit experience that Deloitte offers. We also recognize the unique insights, resources, and perspectives we can offer to business leaders across the C-suite. Our Center for Board Effectiveness provides executives, boards of directors, and others active in governance with resources pertaining to current boardroom issues and governance trends.

Investor outreach

We have enhanced and expanded our outreach to investors and stakeholders through the US Investor Engagement Council to focus on topics of mutual interest as we strive to deliver the highest quality audits. We engage with the investor community in a way that helps us to understand their perspectives, as well as build confidence in the audit and help shareholders act with more informed purpose. Our US Investor Engagement Council proactively tracks investor views on key regulatory and policy issues (e.g., proxy voting policies, PCAOB Investor Advisory Group, SEC Investor Advisory Committee, comment letters, other public discussions), so that we can understand those in formulating our own views and anticipate and address investor concerns. The Deloitte Network plays a leadership role in the Global Auditor Investor Dialogue, a network of representatives from the leading global institutional investors and the six largest global accounting firm networks.

Audit committee and board resources

We have developed a number of resources and programs that help audit committee and board members fulfill their responsibilities.

Board and Audit Committee Symposia
Annual events for current board and audit committee members. Each two-day program allows participants to hear from leading specialists on corporate governance and regulatory matters impacting their organizations and provides opportunities to engage in lively discussions with peers.

Board and Audit Committee Labs and Education Programs
Unique lab experiences designed to help boards and audit committees explore their responsibilities, priorities, and practices, with an emphasis on enhancing effectiveness, especially during times of transition. The half- to one-day, customized sessions focus on enhancing the performance of board and audit committee members, both as individuals and as part of a high-functioning team. The facilitated programs incorporate leading practices from our research and extensive experience with boards and audit committees, as well as advance input from the participants’ key stakeholders. In addition, tailored director development education programs are offered to assist boards and audit committees with various topics important to executing their role while addressing current trends facing the board or committee.

Board Governance Dialogue
Board-level events held in select locations across the United States. These events provide insights on timely business and governance topics, as well as the opportunity to engage with other executives and board members in peer-to-peer discussions.

Audit Committee Resource Guide
A resource to help audit committee members and management better understand the requirements, roles, and responsibilities of the audit committee.

Audit Committee Brief
A periodic publication that provides audit committee members with recommendations, overviews of corporate governance resources, regulatory and legislative environment outlooks, and technical updates. The Audit Committee Brief has more than 20,000 subscribers.

On the Board’s Agenda
A series of articles sharing insights on how audit committees and boards may move their organizations forward, both cohesively and successfully, while facing the challenges of today.

For further details about these and other resources, visit: http://www.deloitte.com/us/boardeffectiveness.
Gathering feedback

We also proactively seek perspective from key stakeholders through surveys and research that we conduct throughout the year to help guide our thinking and inform our work. Financial statement audits have been a fundamental pillar of the capital markets, helping investors make informed decisions and invest with confidence. But today, that is just part of the value an audit can provide.

Our Audit Value Survey* of more than 300 C-suite executives and 100 audit committee members was conducted to better understand the value and impact of financial statement audits. The survey results show today’s business leaders are recognizing the power of the audit to go beyond the foundational role of promoting trust and confidence in the financial statements.

Traditionally, companies have often viewed financial statement audits as an obligation. However, given the link between audit insights and growth, it should not be a surprise that the perceived value of the audit is high. In fact, the survey data shows that roughly two out of three C-suite executives (64 percent) and audit committee members (65 percent) see a financial statement audit as an opportunity to improve business performance.

Powered by cutting-edge technology and innovation, the audit has evolved into a strategic opportunity that can help guide and inform future business decisions—by providing deeper insights and identifying inefficiencies or risks that can help inform companies’ strategies, operations, and business performance. More companies are starting to leverage insights that auditors are capable of delivering through the auditors’ use of the latest audit analytics tools.

This is a prime opportunity to build on audit’s long-standing core value as a pillar of the capital markets—helping companies and investors get more value than ever from their financial statement audits.

“Investors today are looking for broader and deeper insights that can help them make smarter, more informed decisions. To meet this need, we are making significant investments in artificial intelligence and advanced analytics to continuously enhance quality and improve transparency in the capital markets.”

—Lara Abrash
Deputy Chief Executive Officer
Deloitte & Touche LLP

Deloitte’s Audit Value Survey results

Today’s audits deliver valuable business insights

A recent survey of 300 C-suite executives and 100 audit committee members found that many in both groups agree that today’s audits reveal things that their companies could be doing differently or better.

<table>
<thead>
<tr>
<th>% of C-suite executives who agree</th>
<th>% of audit committee members who agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>79%</td>
<td>91%</td>
</tr>
</tbody>
</table>

Audit insights linked to growth

Companies that capitalize on information received from the audit all or most of the time are more likely to achieve growth they consider “good” or “great.”

- Companies that leverage audit information all or most of the time are 22% more likely to achieve growth their leaders consider “good.”
- Companies that leverage audit information all or most of the time are 47% more likely to achieve growth their leaders consider “great.”

From obligation to opportunity

In addition to the audit’s important role in identifying financial errors and internal control weaknesses, executives now view audits as opportunities to improve business performance.

<table>
<thead>
<tr>
<th>C-suite executives</th>
<th>Audit committee members</th>
</tr>
</thead>
<tbody>
<tr>
<td>64% generally view a financial statement audit as an opportunity</td>
<td>65% generally view a financial statement audit as an opportunity</td>
</tr>
<tr>
<td>36% generally view a financial statement audit as an obligation</td>
<td>35% generally view a financial statement audit as an obligation</td>
</tr>
</tbody>
</table>

*Survey may be found at: https://www2.deloitte.com/us/en/pages/audit/articles/audit-value-survey.html
Transforming the audit through innovation

Our commitment to transforming through innovation is continuously evolving the way we execute high-quality audit services. When we imagine the audit of the future, we see it as an even more valuable enabler of our vibrant capital markets—an audit that leverages advanced technology solutions and data analytics, embodies continuous innovation, applies agile auditing, is grounded by risk-based methodology and workflows, and showcases the skills and expertise of our professionals. By harnessing these capabilities, we are elevating quality, providing objective insights, and delivering a differentiated audit.

Our commitment to quality, proven innovation, and unrivalled diversity of thought are the cornerstone of our transformation efforts. To date, we have invested several hundred million dollars to transform the audit. Our dedicated Audit Transformation team of almost 200 professionals draws on the resources and best thinking from across Deloitte’s multidisciplinary organization and global network of member firms. The team collaborates with technical experts, developers, designers, consultants, data scientists, and strategists to create innovative solutions and approaches that are transforming the way we deliver the audit.

**Transformative technologies**

At Deloitte, we are constantly sensing and evaluating emerging technologies that can transform how we approach the audit. We have made significant investments in developing a suite of audit tools that leverage leading-edge technologies such as cognitive, data analytics, and workflow automation. Given the dynamic and rapidly advancing state-of-play in the technology marketplace, it is critical that we build and utilize technology platforms that allow for the flexibility to continuously include best-in-breed technology features. We designed our data analytics and next-generation audit platforms with this principle in mind to assist our clients in benefiting from ongoing advancements in technology. In implementing our technology strategy, we are seamlessly integrating our suite of cutting-edge tools into our global, cloud-based, next-generation audit technology platform to achieve our vision for a digital audit, and establishing the infrastructure to add future advanced technologies.

As we look beyond the horizon to the not-so-distant future, one thing is certain—the rapid progression of technology and new exponentials will continue to drive the evolution of the audit and how the profession serves the capital markets. For example, blockchain has the potential to revolutionize how financial transactions are recorded and stored. This could have a deep and widespread impact on our profession and how we audit both financial statements and internal control over financial reporting. As we move toward a more connected future with the “Internet of Things,” use of drones for asset verification (digital evidence capture), and the rise of machines that are truly intelligent, we anticipate new technologies featuring secure communication between intelligent devices with less human involvement. These advancements will enable real-time, transparent, and analytics-based audit procedures that enable auditors to focus their attention on the most strategic and impactful activities.

We are committed to continued investment in emerging technologies that enable the delivery of greater quality, insights, and value to our clients and the markets. Furthermore, our commitment to robustly invest in a technology-driven future is complemented by our deep commitment to data protection, confidentiality, and maintaining cybersecurity defenses aligned to industry best practices.
Our current suite of tools enhances audit quality and value by providing deeper insights and a sharper focus on areas of risk—thereby driving more meaningful conversations and an optimized audit experience. A sample of our innovative technology solutions includes:

**Cognitive**

**Argus—Electronic document interrogation and analysis**
Leverages cognitive technologies such as advanced machine learning and natural language processing to quickly process, highlight, and extract key information from electronic documents—to focus on what matters most. Argus helps our professionals provide meaningful insights, including a summary of key analytics across an entire population of documents.

**Data analytics**

**Optix—Advanced data analysis of journal entries**
Analyzes large data sets in near real time to uncover hidden patterns, trends, and risks in large journal entry populations, providing important operational and control insights.

**Cortex—Data analytics and visualizations**
Extracts and prepares client data, and then works seamlessly with our suite of advanced technologies to harness the power of data—providing the ability to view businesses through a powerful analytics lens that enhances audit quality and generates valuable insights.

**Reveal—Sophisticated regression analysis**
Applies a sophisticated regression analysis to illuminate account balance relationships and provide predictive modeling that helps our professionals identify areas of audit interest for further scrutiny.

**Signal—Comprehensive risk analytics**
Examines a wide range of industry data and identifies potential risks using trend and regression analysis, which alerts our audit teams to indicators of accounting, failure, and other risk factors so that we—and our clients—can get in front of potential issues, rather than waiting to find them after they have occurred.

**Disclosure Analytics—Advanced data science platform**
Analyzes and curates a massive quantity of financial information to enable more comprehensive and data-driven risk assessments, industry benchmarking, visualizations, and financial statement analytics. Combining big data science with data scrapes from external sources to help auditors identify unique patterns and insights in near real time—informing our audits and providing insights.

**Workflow Automation**

**Deloitte Connect—Online communication, information sharing, and progress tracking**
Enables clients to communicate and share information seamlessly with the Deloitte audit team—and to effectively monitor and manage audit requests—via a secure online site.

**Iconfirm—Automated management of the audit confirmation process**
Coordinates multiple stakeholders in the confirmation process via an online platform to provide efficiencies and support high-quality audits. Iconfirm offers a differentiated experience for our professionals and clients by automating and streamlining the confirmation process, including preparing, sending, receiving, and monitoring activities.

**Icount—Mobile-enabled inventory counts**
Allows our professionals to use mobile devices to perform physical inventory observations and transmit results in real-time while on-site, enabling the audit team to monitor and review location counts instantly using the Icount Web-based application.

**Award-winning innovation and industry expertise**

The Deloitte Network’s steadfast commitment to leading the profession in audit quality and innovation has received international accolades.

Deloitte was recognized with International Accounting Bulletin’s “Audit Innovation of the Year” award in 2015 and as a finalist for leading innovation tools and applications—Icount, Signal, and Disclosure Analytics in 2016 and 2017.

In 2017, the LendIt industry awards recognized Deloitte as “Top Accounting Firm” for demonstrating deep expertise, commitment to clients, and fostering a deeper understanding of online lending and fintech.

The British Accountancy Awards named Deloitte LLP (the UK member firm of the Deloitte Network) the “Most Innovative Practice” (Large Firm category) in 2016.
“Every part of our organization is dedicated to audit transformation—from innovative technologies, processes, and approaches, to the way our professionals work together to drive audit quality and deliver exceptional value. It’s what differentiates us and our approach. At Deloitte, we’re creating the audit of the future today, because we’ve built an organization where great ideas are translated into practical steps, every day.”

— Jon Raphael
National Managing Partner,
Audit Innovation and Client Service Delivery
Deloitte & Touche LLP

Transformative approaches
In addition to leveraging innovative technologies, we are transforming our audit delivery approach by continually enhancing our methodology, defining optimal workflows for how the work gets done, applying agile principles to how we manage the audit, and rethinking how we structure engagement teams.

Audit methodology and workflows
Our risk-based methodology establishes the foundation of our audit approach, providing the scalability necessary to meet the unique needs of our clients across all market segments, and the flexibility necessary for our professionals to tailor their audit procedures in response to the assessed level of risk. Our audit methodology is complemented by workflows—some of which are standardized for certain tasks and some of which reinforce critical thinking—that provide optimal processes and procedures to appropriately address identified risks that may be general or industry specific. Paired with our methodology, these workflows optimize how work is performed, indicate when to apply our suite of innovative technologies and advanced data analytics capabilities, recommend how to leverage our audit Centers of Excellence, and demonstrate delivery of value through insights. Collectively, these two broad initiatives are enhancing quality and driving consistency in audit execution.

Agile Auditing™
In response to the evolving needs of clients, financial statement users, and other stakeholders, we are piloting Agile Auditing, our innovative method that takes a more fluid and dynamic approach to how we manage and execute audits. In developing Agile Auditing, we set out to address four challenges:

- How to apply real-time project management to enable more real-time audits, supported by leading-edge audit technologies
- How to flag and share issues and challenges that arise in an audit in ways that are as timely as the innovative technologies that help to generate the observations and findings
- How to promulgate the transparency and flexibility enabled by digital technologies, and adjust audit practices accordingly
- How to enhance the value delivered by technology-enabled audits, given that data and information can be overwhelming unless properly organized, analyzed, and communicated

Our Agile Auditing approach addresses these challenges by applying guiding principles and leading practices to how we manage audits, enabling enhanced communication, transparency, workflow, timeliness, and quality. As we continue to utilize agile principles to fuel further audit innovation, we are thinking about ways to apply the Agile Auditing principles to other processes and the value it can provide to clients and other stakeholders.

Centers of Excellence
As we continue challenging our approach to audit execution, we are also redefining how we structure engagement teams to more deeply embed specialists and leverage professionals with industry and subject matter experience. With this goal in mind, we have established Centers of Excellence that focus on audit matters unique to certain industries, as well as on audit areas that span industries, such as auditing goodwill and employee benefit plans. Additionally, we have established centers with specialist competencies, such as data analytics and project management, and technology hubs focused on areas such as advanced robotics capabilities. These hubs give audit teams access to a pool of highly skilled professionals with deep experience and knowledge in a particular audit area, industry, process, or technology. In addition to increased effectiveness, teams benefit from the leading practices and insights these professionals possess.
Deloitte is a recognized leader and employer of choice, striving to create a leadership environment focused on the development and well-being of all our professionals. We have been at the forefront of fostering an inclusive culture that invites authenticity, fosters a sense of community, values diverse experiences and perspectives, and enables our professionals to play to their unique strengths. We are consistently ranked as one of the best places to work, and honored for our inclusive culture and increasingly diverse workforce.

The reason for our success is straightforward: We invest in our people to give them opportunities to grow and thrive. In developing our people, we provide broad experiences through various programs including, internal and external learning programs, and through our global mobility programs, which provide our professionals with various opportunities for an international working experience, through long- and short-term assignments and projects. A global assignment provides an opportunity to enhance an individual’s global mindset and overall career experience as well as to share audit quality expertise across the Deloitte Network. Additionally, our transformed approach to audit delivery is enabling our professionals to use more advanced analytics and technologies on the audit, apply more critical thinking, spend more time applying professional judgment, and gain a deeper understanding of a client’s business and industry—all contributing to enhanced audit quality and an improved experience for our people.

We have made substantial investments in our talent strategies and transformed our technical audit curriculum. Our Audit & Assurance professionals have logged nearly 900,000 hours of learning in our updated curriculum over the past year alone. We target learners by level of expertise, using a dynamic mix of live, instructor-led, virtual, and engagement team-based courses. All client service professionals of Deloitte & Touche LLP are required to complete at least 20 hours of continuing professional education (CPE) each year and at least 120 hours every three years. Professionals who spend more than 25 percent of their time on audit or other attest engagements, or who have partner, managing director, or manager responsibilities for such engagements, must devote at least 40 percent of their minimum required CPE hours to accounting and auditing. In addition, we have mandatory technical learning requirements. We monitor extensively for compliance, and equip learners to bring lessons back to the engagement team where they can be applied to fieldwork. These efforts are yielding strong results.

### Mandatory core learning hours for Audit & Assurance professionals

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners and managing directors</td>
<td>33</td>
<td>25</td>
</tr>
<tr>
<td>Senior managers and managers</td>
<td>25-33</td>
<td>27-37</td>
</tr>
<tr>
<td>Seniors</td>
<td>21-82</td>
<td>26-77</td>
</tr>
<tr>
<td>Staff</td>
<td>58-73</td>
<td>61-85</td>
</tr>
</tbody>
</table>

1 Represents mandatory core learning hours. In addition to these courses, additional mandatory learning is delivered at times based on the current needs of the audit profession.

---

**Deloitte University**

To help our professionals achieve higher levels of performance, we invested $300 million to establish Deloitte University (DU), a state-of-the-art learning and leadership development center. Our professionals have logged more than 4.6 million learning hours at DU since its inception in 2011.

**A holistic approach: Audit 360°**

Our professional development model is moving beyond technical education. We integrated baseline data and analytics learning into our mandatory curriculum. We are also expanding optional choices outside of the mandatory curriculum in industry as well as nontechnical capabilities such as advanced data and analytics, coaching and strengths-based development, project management and productivity, professional practice development, strategic and critical thinking, technology savvy, and written and verbal communication. An expanded curriculum and enhanced Audit 360° learning system deepens our investment in this holistic approach. Audit 360° allows all of our Audit & Assurance professionals to tailor industry and nontechnical curricula more closely to their needs, specify on-the-job experiences that will help them grow, and gain exposure to people and projects that will expand their professional competence.

**Next-generation learning**

We continue to evolve our learning platforms, leveraging innovative approaches and new technologies.

Responsive design e-learning is one new area we are exploring. These courses enable learners to complete e-learning courses via...
“With the proliferation of advanced technologies and ever-increasing investor demands, the auditor’s role is changing to become even more strategic and insightful. Our transformed professional development model and audit curriculum ensures our professionals have a holistic learning program that prepares them to thrive in a technology-driven future as they serve the capital markets with distinction.”

— Wendy Fletcher
National Managing Partner, Talent
Deloitte & Touche LLP

any technology platform—mobile phone, tablet, or computer—creating a consistent learner experience in a setting most convenient to the learner’s preferences.

We are also redesigning level-specific curricula for all levels of staff and seniors into integrated development programs, complete with prework, multiday in-person classroom program, and reinforced learnings to support ongoing application. These updated designs maximize learner time and improve the learner experience, while also creating a modular design that enables a more agile learning approach that is responsive to our focus on audit innovation and transformation.

**Developing a culture of innovation**

As we continue to modernize the audit, our professionals are generating the next big ideas for investment. Through our annual crowdsourcing Audit Innovation Challenge (the “Challenge”), competing teams develop and pitch bold ideas to transform the way we approach the audit. Since launching the Challenge in 2015, more than 600 ideas have been submitted, and we are committed to investing each year in the winning ideas. Additionally, Deloitte and the Deloitte Foundation host an Audit Innovation Campus Challenge to help better prepare students for careers and engage academia in our culture of innovation. Students are invited to challenge their thinking and put their research and technology skills to the test by presenting their ideas to a panel of Deloitte judges. More than 50 campuses across the United States are participating in this year’s program, with winning regional teams advancing to the finals at Deloitte University in spring 2018. Through these events, innovation is not only becoming part of our cultural DNA and way of thinking, but an opportunity to enhance the academic experience for the next generation.

**Empowered well-being**

We have made significant strides to help our professionals maintain a healthy mental and physical sense of well-being throughout the year and ensure they are competitively compensated. Through efforts on engagement flexibility, email-free weekends, alternate career paths, and developmental opportunities, we are helping our professionals achieve the desired formal or informal flexibility that works for them and the practice.

In 2016, Deloitte introduced a 16-week, fully paid family leave program to support a range of life events impacting professionals and their families—from celebrating the arrival of a new child, to caring for a spouse or significant other, to supporting aging parents.

As a result of these and other ongoing initiatives, we have seen sustained high retention levels and our professionals are better able to unplug during their time away from work.

**Tenure at firm (in years)**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners and managing directors</td>
<td>21.6</td>
<td>21.3</td>
<td>21.2</td>
</tr>
<tr>
<td>Senior managers</td>
<td>11.1</td>
<td>11.1</td>
<td>11.1</td>
</tr>
<tr>
<td>Managers</td>
<td>6.3</td>
<td>6.2</td>
<td>6.2</td>
</tr>
<tr>
<td>Seniors</td>
<td>3.4</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Staff</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
</tr>
</tbody>
</table>

**Voluntary turnover rate**

Our overall rate includes partners, managing directors, senior managers, managers, seniors, and staff.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>15%</td>
<td>14%</td>
<td>18%</td>
</tr>
</tbody>
</table>

**Our commitment to diversity and inclusion is widely recognized**

Deloitte has been helping shape corporate America’s inclusion landscape for 25 years when we became the first professional services firm to formally focus on inclusion. While much has changed over the years, a few things have remained constant: leadership commitment, continuous evolution, and an innovative approach to fostering an inclusive culture.

Today, our approach to inclusion is two-fold—we are intensifying our commitment to key focus areas around attracting, retaining, and advancing a diverse workforce, and we are strengthening our inclusive culture where all of our people can:

- Connect through our shared values and the impact we make on the world,
- Belong to a team that believes in us and values who we are, and
- Grow through meaningful opportunities.
Monitoring our practice and holding ourselves accountable

Setting the standard
Our commitment to delivering audits of the highest quality requires us to effectively analyze results and understand the causal factors related to audit deficiencies identified through internal and PCAOB inspections, analysis of restatements, or other monitoring activities. Using information obtained from our Assurance Insight & Analysis group and in-flight monitoring programs, we leverage a series of activities that help us continuously monitor audit quality and assist with the identification of issues for timely resolution.

We aspire always to be our own toughest critic, and our internal inspections and monitoring processes aim to identify and correct issues in real time. Our monitoring programs are critical to achieving our continuous improvement objectives, and enable us to ascertain the effectiveness of the actions we take to enhance audit quality.

Regulatory inspections and outside perspectives are critical to raising standards and achieving quality outcomes—we value the feedback received through the external inspection process. Our system of quality control utilizes input from various sources to continually improve the quality of our audits. These sources include:

- For SEC issuer engagements, rigorous inspections by the PCAOB of public company audits to help focus our continuous improvement efforts.
- For non-SEC issuer engagements, the AICPA Peer Review process to provide additional observations concerning quality.
- Ongoing dialogue between Deloitte leadership and our external AQAC to help us better understand third-party needs and help us elevate quality to the benefit of the capital markets.
- The evaluation of restatements of previously-issued reports on (i) financial statements and/or (ii) internal control over financial reporting to help us design further enhancements to our quality processes to detect errors during the course of an audit.

Looking at our audit work through these different lenses helps orient us in our pursuit of quality, providing feedback on areas where we need to improve that is thorough, detailed, and uncompromising.
Selected resource metrics we use to continuously monitor audit quality

Sufficient engagement management capacity is critically important to allow for experienced professionals to challenge management judgments appropriately and to provide for on-the-job guidance and development of more junior members of the engagement team. While there are many engagement-specific considerations that must be evaluated when determining appropriate leverage models, our quality monitoring has identified the proportion of engagement management hours to total engagement hours is an important factor in relation to audit quality.

Leverage ratios of Audit & Assurance headcount

<table>
<thead>
<tr>
<th>Audit cycle</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners and managing directors to all other Audit &amp; Assurance personnel</td>
<td>1 to 7.6</td>
<td>1 to 7.7</td>
<td>1 to 7.4</td>
</tr>
<tr>
<td>Partners, managing directors, senior managers, and managers to seniors and staff</td>
<td>1 to 2.1</td>
<td>1 to 2.1</td>
<td>1 to 2.0</td>
</tr>
</tbody>
</table>

Percentage of total audit hours performed by specialists

During the 2017 audit cycle, approximately 18 percent of total audit hours were performed by more than 6,000 specialists working alongside engagement teams, including specialists in tax, information technology, and financial transactions, among others. This percentage can vary from year to year depending on particular specialized issues impacting the financial reporting processes of our clients. We consistently deploy resources with the appropriate specialized skills to execute our audit procedures at a high level of quality.

Optimizing audit execution

Our causal factor analysis indicates that audit quality can be enhanced by actively working to distribute audit activities more evenly throughout the calendar year, reducing the workload for our clients and Audit & Assurance professionals during peak audit periods. In addition, this enables us to understand and manage risks more effectively and tackle important issues as they arise. While difficult to capture in a single metric, we have meaningfully “shifted the peak” and are realizing audit quality benefits as a result.
Public portion of PCAOB inspection reports (Part I)

PCAOB inspection reports on public company audits help guide our efforts. While we are proud of the improvements evidenced in recent PCAOB inspection results as compared to several years ago, we are focused on continuous improvement. We carefully analyze inspection themes, identify causal factors, and design responsive remedial actions to PCAOB findings. We are focused in particular on addressing areas of repeat findings, including the auditing of subjective management estimates and the auditing of complex internal controls with a review element.

Nonpublic portion of PCAOB inspection reports (Part II)

Under the Sarbanes-Oxley Act of 2002, quality control criticisms contained in Part II of PCAOB inspection reports are publicly released only if the PCAOB determines that satisfactory remedial actions have not been taken within 12 months of the report’s issuance. Once the PCAOB determines that remediation activities have addressed quality control deficiencies cited in that year’s inspection report to its satisfaction, or determines that portions will be publicly released because certain matters have not been addressed to its satisfaction, that inspection year is “closed.” In October 2017, the PCAOB determined that the remedial actions we took in response to Part II of the 2014 inspection report addressed the quality control observations to the satisfaction of the PCAOB for the purposes of Section 104(g)(2) of the Sarbanes-Oxley Act of 2002, which represents our sixth consecutive year of PCAOB Part II acceptances. We submitted our final Part II remediation responses for the 2015 inspection report on August 7, 2017. Our entire organization is committed to addressing thoroughly the quality control matters that the PCAOB raises in its inspection reports.

Peer Review

Through our collective focus on non-SEC issuer audit quality and our Audit Imperatives, we have received the highest rating (Pass) on our most recent AICPA Peer Review. On December 7, 2017, our Peer Reviewer’s report covering engagements with financial statements dated April 1, 2016–March 31, 2017, was accepted by the National Peer Review Committee. A rating of Pass means that Deloitte’s system of quality control is determined to be appropriately designed and we are complying with that system. We are confident in the path we are pursuing to drive continued enhancements in quality in our private company practice.

Internal inspections

On the whole, our internal inspections observations are consistent with those identified by the PCAOB and Peer Reviewers, and we are continuously looking to improve our efforts towards real-time monitoring of our practice.

Quality across the global Deloitte Network

With nearly 264,000 professionals around the world, including more than 84,000 in the United States, the global Deloitte Network has unmatched scale to deliver.

As part of our commitment to lead the profession in audit quality, we are building on the momentum and experience of our US Audit & Assurance practice to advance audit quality throughout the global Deloitte Network. Our continued commitment to audit quality, including the need for consistency across the network, remains a top priority for all. As the Deloitte Network has been investing in and taking actions to improve audit quality, we have been actively supporting this effort and working across the global Deloitte Network to share insights, action plans, and learnings from our ongoing audit quality journey in the United States.

The Global Center of Excellence (GCoE) for Audit Quality, launched in June 2015, aims to support Deloitte Network member firms in promoting, enabling, and continuously enhancing the quality and consistency of PCAOB audits delivered across the globe. In addition to the formation of the GCoE, we are supporting the consistent delivery of the highest quality audits for all audit engagements across the Deloitte Network through the implementation of broader quality activities, such as new archiving policies and new client acceptance policies.

Since the inception of the GCoE, more than 700 US resources supporting its efforts have engaged in activities to align global policies and guidance, deliver audit quality and regulatory updates, perform practice reviews, provide PCAOB inspection and remediation support, and develop and deliver focused learning.

The Deloitte Network has also invested in programs to transform the way audit quality is monitored and measured. The Deloitte Network’s Audit Quality Monitoring & Measurement (AQMM) program, launched in 2016, is part of a comprehensive strategy to continuously improve audit quality and consistency through transforming the way the Deloitte Network monitors, measures, and remediates audit performance. A critical aspect of the AQMM program is a shift to more real-time quality monitoring on individual engagements to drive early identification and responsive actions to potential audit quality issues. Our commitment to improve audit quality and consistency across the Deloitte Network is unwavering.
Shaping the future of the profession

As one of the largest professional services organizations, we have a responsibility to be forward looking. In addition to identifying and acting on marketplace trends, we are engaged on a number of fronts to raise standards and help investors and companies, as well as the general public and policymakers, appreciate and understand the auditor’s role. We are committed to building a vibrant future for auditors and the profession. To that end, we are constructively engaged in the dialogue around significant audit reforms, quality standards, market transparency, education, assurance services, and other topics critical to shaping the future of the profession.

Advancing auditing standards
Mindful of our duty to the investing public and our responsibility to promote the effective functioning of the capital markets, we have worked constructively with a range of stakeholders to shape proposals aimed at enhancing the effectiveness of audits.

Audit quality indicators
We support the exploration and development of audit quality indicators (AQIs), metrics intended to provide meaningful insight into audit quality, as we believe they have the potential to be a useful tool in helping audit committees understand more about the audit process, the firm engaged to conduct the audit, and considerations for assessing audit quality. Deloitte and other firms have worked together with the Center for Audit Quality (CAQ) to develop the profession’s point of view on AQIs and what we believe would be most helpful in terms of specific measures, and how those measures can be communicated most effectively. In addition, we have been engaged in the ongoing use of AQIs with a number of audit committees.

While no one metric alone can determine quality, we have made strides in identifying a set of our own internal quality performance indicators (QPIs) that we believe may be predictive of audit quality, and have created an executive-level dashboard of these indicators that enables our leadership to monitor them at the office, regional, and national levels and drive timely follow-up actions. In this report, we have provided transparency around some of the QPIs we monitor across our practice. Further, we are pleased to share engagement-specific QPIs with audit committees that find this information to be useful.

Over the longer term, we believe the use of QPIs will become an increasingly valuable tool to assist audit firms in the identification of quality issues for timely resolution.

Auditor’s reporting model
The auditor’s report is the primary vehicle through which the auditor communicates with investors and other interested parties information regarding the audit of the financial statements and internal control. The form of the auditor’s report on the financial statements in the United States has changed very little since the 1940s. Investors and other financial statement users are now seeking more information about the conduct of an audit in general, and more information that is specific to a particular audit. In response, on June 1, 2017, the PCAOB adopted a new auditing standard (approved by the SEC on October 23, 2017) on the auditor’s report, which significantly expands the information to be provided about a financial statement audit, while retaining the current pass/fail approach to the auditor’s report. The key changes to the auditor’s report under the standard are:

- Communication of critical audit matters (CAMs)
- Standardized ordering and inclusion of section headers, with the opinion section appearing first

- Enhanced descriptions of the auditor’s role and responsibilities, including a statement regarding independence requirements
- Disclosure of auditor tenure—the year in which the auditor began serving consecutively as the company’s auditor

We see many benefits of the new standard, including greater insight into the audit provided by the independent auditor, a more informative and relevant auditor’s report, expanded discussion about CAMs between auditors and audit committees, and improved quality of financial reporting all contributing to increased investor confidence in financial reporting. We support these efforts to increase the informational value, usefulness, and relevance of the auditor’s report. Our view is that the more information of value that auditors are able to provide to the users of financial statements, the greater the value and relevance of audits to the capital markets.

“Engaging constructively with regulators and key stakeholders is critical to driving progress in the audit profession and ensuring the highest standards of excellence. Significant new audit reforms, regulation, and standards have improved audit quality and transparency, helping to provide investors with financial statements they can trust.”

—Alex Schillaci
National Managing Partner, Regulatory
Deloitte & Touche LLP
We recognize the concerns raised through the comment letter process, and in order to strike the right balance and ensure responsiveness to the needs of financial statement users without creating unintended consequences, we will continue to participate in a robust dialogue among various stakeholders as we undertake implementation of the new standard. Change is inevitable—it is incumbent upon us to be a constructive part of developing and effectively implementing reasonable solutions to challenging matters.

**Improving the transparency of audits**

The PCAOB’s requirement for audit firms to disclose on a new form the name of the engagement partner and certain other accounting firms that participated in an audit became effective in 2017. We have been supportive of this new requirement, which we believe achieves the overall objective of providing transparency regarding participants in the audit. It is our view that additional transparency makes audits more relevant and more valuable to the capital markets and enhances investor confidence in the rigor of the audit process.

**Working together as a profession**

We believe that elevating audit quality in the profession as a whole benefits the capital markets. We therefore take a leadership role in a number of activities designed to elevate audit quality throughout the profession through the exchange of best practices and informed advocacy on issues relevant to audit quality.

For example, Deloitte currently chairs the Governing Board of the CAQ, which was established in 2007 to foster high-quality performance by public company auditors and advocate for policies and standards that promote public company auditors’ objectivity, effectiveness, and responsiveness to dynamic market conditions. The CAQ serves as a convening body for the public company audit profession and provides thought leadership on proposed rules and standards, resources for the profession and other members of the financial reporting supply chain, and engages in stakeholder outreach on behalf of the profession.

Furthermore, we believe that significant investment in innovating the audit through technology and analytics is critical to the future of the profession. As an inaugural member of the Rutgers AICPA Data Analytics Research Initiative, Deloitte works with its profession counterparts to improve audit effectiveness through the integration of data analytics into the audit process. In addition to research and testing of new techniques and methodologies, the initiative encourages collaboration in other scholarly, practical research into audit analytics. Collaborating to promote transformative efforts such as this will be essential to the evolution and advancement of the profession.

**Expanded assurance**

Innovative technologies and the proliferation of data are also driving the evolution of investors’ needs. There is a broadening array of information that influences decision-making, yet currently devoid of independent assurance. Non-GAAP (accounting principles generally accepted in the United States of America) information, for example, is widely used by companies to communicate performance results to investors. Similarly, key performance indicators, whether industry-specific or company-focused, financial or nonfinancial, are critical drivers of decisions by stakeholders. We believe the capital markets could further benefit from auditor assurance on certain information relevant to investor and other stakeholder decisions.

Looking out on the horizon, we are currently studying how breakthrough technologies, such as blockchain and machine learning algorithms, impact how companies process, compile, and disseminate financial reports. We are considering how the assurance services we provide will need to evolve in response to these new technologies. We are also exploring how these same technologies enable us to transform the delivery and communication of assurance.

Eventually, we foresee the potential for continuous assurance and evergreen audit opinions powered by innovative new technologies. We believe that the professional objectivity of an independent auditor can improve the quality of information, extending beyond historical financial statements, and encompassing aspects of enterprise value. We have developed assurance frameworks related to sustainability measures and cybersecurity programs, two areas of increased stakeholder focus. We believe that even with technological progress, trust remains a critical element of the capital markets that benefits from the objectivity and impartiality of a professional auditor. Our professional capabilities and industry expertise position us to deliver expanded assurance and bring a new level of quality and value to the markets.

**The power of a multidisciplinary organization**

In certain jurisdictions, questions have been raised as to whether firms should be narrowly focused on providing only core audit services. Some refer to this concept as an “audit-only firm.” At Deloitte, we see our robust multidisciplinary model—consisting of our audit, risk and financial advisory, tax, and consulting practices—as an indispensable asset that contributes to the quality of our audits. In order to audit the most difficult and complex areas of a company’s business, it is essential for us to have a vibrant, multidisciplinary organization composed of leading functional and industry subject matter resources across a range of disciplines.

We recognize that risks are inherent in a multidisciplinary practice. This is why culture, leadership, and tone at the top are so critical to the performance of high-quality audits. We maintain governance structures to ensure that the fulfillment of our public interest mandate—performing high-quality audits—remains the bedrock of our professional services organization. And we are intensely focused on safeguarding our independence, which forms the core of the public trust that the markets place in the external audit function.

We have made significant investments in people, processes, and supporting technology in the design of a world-class system of quality control related to the eight functional areas subject to the independence professional standards.
Connecting education and the profession

The Deloitte Foundation (the “Foundation”), founded in 1928, is a not-for-profit organization that supports education in the United States through a variety of initiatives that help develop the talent of the future and their influencers and promote excellence in teaching, research, and curriculum innovation. Through the Foundation, we connect academia and the profession to help prepare the next generation by offering resources that educators can incorporate into their curriculum, giving students real-world insight into the profession through experiential learning, and building the faculty pipeline through development programs and financial support to top accounting PhD candidates.

The Foundation also provides education and faculty development support, raises awareness of the profession, and promotes ethical leadership, all the while sponsoring an array of national programs relevant to a variety of professional services, benefiting middle/high school students, undergraduates, graduate students, and educators. One such example of how the Foundation provides this support is through the University of Illinois-Deloitte Foundation Center for Business Analytics (the “Center”). In October 2016, the Foundation and the University of Illinois entered into an agreement to establish the Center, which is being funded through contributions from the Foundation and the University of Illinois Deloitte alumni. The Center will create and disseminate a replicable model business analytics curriculum to be shared with schools across the United States that will prepare students for careers in professional services.

This past year, more than 2,100 students participated in Foundation-sponsored programs, such as the “Cyber Threat Competition” to introduce students to both the technology and business aspects of cyber risk, the “MBA National Case Competition” which asks students to analyze and present on a complex, issues-driven business case, and “Deloitte Foundation’s Data Analytics Fellowship Program” that provides training to apply in-depth analytics and data to help solve real-world issues. Our educator programs strive to inform academic curriculum by offering case studies and data sets for the classroom. Since its inception in 1966, more than 2,400 educators have attended the “Trueblood Seminars for Professors.” Co-sponsored with the American Accounting Association (AAA), these seminars center around the “Trueblood Case Study Series” which provides realistic case studies that reflect current complex accounting and auditing challenges for educators to incorporate into curricula.

To support the accounting faculty pipeline and strengthen the quantity and quality of accounting professors, we also sponsor development programs specifically designed for accounting PhD candidates, such as the “Deloitte Foundation/AAA/J. Michael Cook Doctoral Consortium,” which helps students who are about to become faculty discuss important issues related to research, teaching, and career development. Our Doctoral Fellowship Program awards $25,000 grants to top accounting PhD candidates who plan to pursue academic careers to support completion of their coursework and dissertations. Strong collaboration between academia and the accounting profession will be invaluable in stimulating cutting-edge thinking and driving experimentation. As technology advances and the world in which we work continues to change rapidly, teaming with academia is a critical success factor—working together to ensure the next generation of auditors are developing the capabilities that will be critical to prepare them for success.

The Deloitte Foundation—helping to prepare the next generation of leaders

- Nearly 400 faculty and more than 2,100 students participating in Foundation-sponsored programs over the past year
- Supported more than 1,000 PhDs who are preparing our future talent
- More than $80 million gifted to education in the last decade
- More than 60 fellowships, professorships, and chairs established
Excellence, every day

At Deloitte, our professionals are hard at work delivering the audit of the future, today. The only way to stay ahead of change is to invest and lead. We will persist in our efforts to enhance the quality and effectiveness of the audit through our unwavering commitment to continuous improvement, ongoing dialogue with our regulators and key stakeholders, and an intense focus on innovating and transforming audit delivery.

“Our desire is to set the standard of excellence for the profession by making audits more responsive to rapidly changing market conditions, evolving investor demands, and increasing regulatory and professional requirements. In keeping with that objective, our commitment to audit quality and innovation is unequivocal.”

— Joe Ucuzoglu
Chairman and Chief Executive Officer
Deloitte & Touche LLP