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ACCOUNTING & AUDIT

EY Tops \$45 Billion in Global Revenue in 2022

These could be the last global revenue results with both the assurance and consulting businesses under one roof.

Jason Bramwell • Sep. 21, 2022



As we await the votes from EY partners worldwide on whether they approve of the Big Four firm [separating its auditing and consulting businesses into two different entities](#), EY announced today what could be its last global revenue numbers with both lucrative service lines under one roof.

EY pulled in \$45.4 billion for the fiscal year ending June 30, an increase of 13.7% over [last year's revenue of \\$39.95 billion](#). The firm claims it is the highest year-over-year revenue growth in nearly two decades.

“We have tremendous momentum right now, and growth means opportunity—for EY people, clients, and broader stakeholders,” Global Chairman and CEO Carmine Di Sibio said in a [written statement](#).

Di Sibio is leading the charge to break the firm up into two different businesses, in order to free the consulting arm from conflicts of interest that could arise if they provide advisory services to the same clients that EY audits.

The auditing business would likely continue under the EY brand and would start operating with revenue between \$18 billion and \$20 billion, with 7% growth expected annually. It is referred to as “AssureCo” in internal discussions of the plan, which also has a name—Project Everest.

EY's assurance practice has been the biggest revenue generator for the firm in each of the last 13 years, and 2022 was no different. Assurance brought in nearly \$14.4 billion, followed by consulting with \$13.8 billion, tax with almost \$11.3 billion, and strategy and transactions with about \$5.9 billion.

But consulting has been the fastest-growing business at EY, [especially the past five years](#), and it had the biggest revenue increase year over year at 24.5%, followed by strategy and transactions at 22.8%, tax at 7.9%, and assurance at 6%.

According to the Project Everest plan, EY leaders foresee the new spun-off consulting business, called “NewCo” internally, initially starting with between \$25 billion and \$27 billion of revenue, and grow at between 20% and 25% a year. With conflict of interest concerns gone, EY global leaders believe the independent consulting business would grow more quickly on its own. However, the consulting business would need a new brand/name/logo as it will not be able to use any EY branding.

The assurance business would remain as a partnership, with audit partners receiving cash windfalls to compensate them for parting ways with the consulting piece of the firm, according to the [Financial Times](#).

EY is not required to disclose profits in its yearly financial announcement but it would have to publish detailed financial information for its consulting arm ahead of its planned initial public offering of the business next year. Consulting partners would be awarded shares in the new businesses but would be forced to take hefty pay cuts, the *Financial Times* reported.

Some experts in tax and valuations would remain on the auditing side, while other tax professionals would be moved to the new consulting business.

EY partners are expected to start voting on the plan in November, with votes continuing through the end of 2022 and finishing sometime in early January 2023. Regulators would also have to approve the split.

In its revenue announcement today, EY called the move a “bold step” that will “better serve EY people, clients, and broader stakeholders in a once-in-a-generation opportunity to redefine the future of professional services. This move will create better and more dynamic career opportunities; people can learn more, take on new roles, and explore different mobility options.”

The full statement from EY about the potential split is as follows:

EY leaders have now recommended that the organization evolves into two distinct, multidisciplinary organizations. One would be a global network of multidisciplinary member firms committed to assurance, tax and advisory services with all the capabilities required to deliver high-quality audits, serve the public interest and focus on the CFO agenda and sustainability; and the other would be a new global corporate entity comprising Consulting, Strategy and Transactions (SaT), the majority of Tax, and managed services.

In taking this bold step, EY can better serve EY people, clients and broader stakeholders in a once in a generation opportunity to redefine the future of professional services. This move will create better and more dynamic career opportunities; people can learn more, take on new roles and explore different mobility options.

It would mean increased access to capital to reinvest in people and client services and solutions, with a laser focus on the issues that

matter most to clients and stakeholders.

It would also mean more choice for clients for both audit and transformation services, and an even stronger focus on ESG priorities, as well as more opportunities to develop new corporate responsibility programs – such as co-investments in “green” projects – so that we can make an even bigger impact in the communities in which we operate.

Both organizations will be values-focused and purpose-driven, and both will preserve the strong EY culture and commitment to DE&I.

EY will now engage in more detail with EY member firm partners, whose votes will determine whether we move forward.

Regionally, EY Americas brought in the most revenue with nearly \$21.1 billion in 2022, ahead of the Europe, Middle East, India and Africa (EMEIA) region (\$17 billion) and Asia-Pacific (\$7.2 billion).

Earlier this month [Deloitte announced revenue of \\$59.3 billion in 2022](#). PwC will likely announce its 2022 revenue before month’s end, followed by KPMG announcing its revenue results in December.

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