

Accenture plc
Form 10-Q
June 24, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**
FOR THE QUARTERLY PERIOD ENDED May 31, 2011

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**
FOR THE TRANSITION PERIOD FROM TO

Commission File Number: 001-34448

Accenture plc

(Exact name of registrant as specified in its charter)

Ireland
*(State or other jurisdiction of
incorporation or organization)*

**1 Grand Canal Square,
Grand Canal Harbour,
Dublin 2, Ireland**

98-0627530
*(I.R.S. Employer
Identification No.)*

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(Address of principal executive offices)

(353) (1) 646-2000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant's Class A ordinary shares, par value \$0.0000225 per share, outstanding as of June 17, 2011 was 644,422,858 (which number does not include 78,520,002 issued shares held by the registrant). The number of shares of the registrant's Class X ordinary shares, par value \$0.0000225 per share, outstanding as of June 17, 2011 was 51,486,184.

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Table of Contents**PART I FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****ACCENTURE PLC****CONSOLIDATED BALANCE SHEETS****May 31, 2011 and August 31, 2010****(In thousands of U.S. dollars, except share and per share amounts)**

	May 31, 2011 (Unaudited)	August 31, 2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 5,256,684	\$ 4,838,292
Short-term investments	4,665	2,987
Receivables from clients, net	3,272,697	2,534,598
Unbilled services, net	1,423,468	1,127,827
Deferred income taxes, net	574,521	569,678
Other current assets	615,225	490,243
Total current assets	11,147,260	9,563,625
NON-CURRENT ASSETS:		
Unbilled services, net	51,083	54,310
Investments	41,983	41,023
Property and equipment, net	740,771	659,569
Goodwill	983,389	841,234
Deferred contract costs	548,941	518,780
Deferred income taxes, net	637,909	532,191
Other non-current assets	752,633	624,521
Total non-current assets	3,756,709	3,271,628
TOTAL ASSETS	\$ 14,903,969	\$ 12,835,253
LIABILITIES AND SHAREHOLDERS EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt and bank borrowings	\$ 4,621	\$ 143
Accounts payable	862,651	885,328
Deferred revenues	2,162,514	1,772,833
Accrued payroll and related benefits	2,931,210	2,683,492
Accrued consumption taxes	382,631	263,612
Income taxes payable	292,355	247,416
Deferred income taxes, net	22,827	43,287
Other accrued liabilities	713,857	671,493
Total current liabilities	7,372,666	6,567,604
NON-CURRENT LIABILITIES:		

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Long-term debt		1,445
Deferred revenues relating to contract costs	563,365	497,102
Retirement obligation	1,022,462	952,747
Deferred income taxes, net	52,784	67,976
Income taxes payable	1,494,395	1,246,960
Other non-current liabilities	221,865	226,696
Total non-current liabilities	3,354,871	2,992,926

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS EQUITY:

Ordinary shares, par value 1.00 euros per share, 40,000 shares authorized and issued as of May 31, 2011 and August 31, 2010	57	57
Class A ordinary shares, par value \$0.0000225 per share, 20,000,000,000 shares authorized, 722,627,042 and 696,814,789 shares issued as of May 31, 2011 and August 31, 2010, respectively	16	16
Class X ordinary shares, par value \$0.0000225 per share, 1,000,000,000 shares authorized, 51,486,184 and 64,985,193 shares issued and outstanding as of May 31, 2011 and August 31, 2010, respectively	1	1
Restricted share units	791,092	973,889
Additional paid-in capital	395,038	137,883
Treasury shares, at cost: Ordinary, 40,000 shares as of May 31, 2011 and August 31, 2010; Class A ordinary, 76,896,568 and 71,776,324 shares as of May 31, 2011 and August 31, 2010, respectively	(2,994,361)	(2,524,137)
Retained earnings	5,674,772	4,634,329
Accumulated other comprehensive loss	(152,812)	(386,292)
Total Accenture plc shareholders equity	3,713,803	2,835,746
Noncontrolling interests	462,629	438,977
Total shareholders equity	4,176,432	3,274,723
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	\$ 14,903,969	\$ 12,835,253

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Table of Contents**ACCENTURE PLC****CONSOLIDATED INCOME STATEMENTS****For the Three and Nine Months Ended May 31, 2011 and 2010****(In thousands of U.S. dollars, except share and per share amounts)****(Unaudited)**

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2011	2010	2011	2010
REVENUES:				
Revenues before reimbursements (Net revenues)	\$ 6,720,115	\$ 5,571,017	\$ 18,819,386	\$ 16,129,987
Reimbursements	484,240	404,478	1,359,455	1,131,018
Revenues	7,204,355	5,975,495	20,178,841	17,261,005
OPERATING EXPENSES:				
Cost of services:				
Cost of services before reimbursable expenses	4,410,487	3,639,367	12,648,054	10,724,052
Reimbursable expenses	484,240	404,478	1,359,455	1,131,018
Cost of services	4,894,727	4,043,845	14,007,509	11,855,070
Sales and marketing	832,374	714,487	2,273,624	1,959,733
General and administrative costs	527,442	410,057	1,348,667	1,235,513
Reorganization costs, net	396	3,276	1,113	9,478
Total operating expenses	6,254,939	5,171,665	17,630,913	15,059,794
OPERATING INCOME	949,416	803,830	2,547,928	2,201,211
(Loss) gain on investments, net	(22)	(3)	(941)	29
Interest income	9,861	7,401	29,147	21,375
Interest expense	(2,827)	(2,061)	(11,070)	(11,061)
Other income (expense), net	1,421	(5,887)	11,560	(13,779)
INCOME BEFORE INCOME TAXES	957,849	803,280	2,576,624	2,197,775
Provision for income taxes	258,780	239,761	706,249	647,579
NET INCOME	699,069	563,519	1,870,375	1,550,196
Net income attributable to noncontrolling interests in Accenture SCA and Accenture Canada Holdings Inc.	(64,012)	(66,899)	(183,276)	(199,350)
Net income attributable to noncontrolling interests other	(7,044)	(6,023)	(21,355)	(15,672)
NET INCOME ATTRIBUTABLE TO ACCENTURE PLC	\$ 628,013	\$ 490,597	\$ 1,665,744	\$ 1,335,174
Weighted average Class A ordinary shares:				
Basic	651,339,239	641,355,607	645,032,214	637,199,756
Diluted	745,503,329	767,162,321	743,609,589	769,509,074
Earnings per Class A ordinary share:				
Basic	\$ 0.96	\$ 0.76	\$ 2.58	\$ 2.10
Diluted	\$ 0.93	\$ 0.73	\$ 2.49	\$ 1.99
Cash dividends per share	\$ 0.45	\$ 0.375	\$ 0.90	\$ 1.125

The accompanying Notes are an integral part of these Consolidated Financial Statements.

