

# Financial information

The Statutory Auditors (Transparency) Instrument 2008 requires transparency reporting auditors to provide financial information for the firm's financial year, including "showing the importance of the auditor's statutory audit work".

Detailed and consistent guidance has not yet been provided to audit firms as to what information and format is required; in the meantime we have extracted the following financial information:

## 1. From Deloitte's annual accounts for the year ended 31 May 2008, showing the relative importance of the Audit service line to our business as a whole:

	<i>Audit</i>	<i>Tax</i>	<i>Consulting</i>	<i>Corporate</i> <i>Finance</i>	<i>Unallocated</i>	<i>Total</i>
	<i>2008</i>	<i>2008</i>	<i>2008</i>	<i>2008</i>	<i>2008</i>	<i>2008</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Revenue	619	567	469	355	-	<b>2,010</b>
Expenses and disbursements	(89)	(76)	(75)	(45)	-	<b>(285)</b>
Net revenue	<u>530</u>	<u>491</u>	<u>394</u>	<u>310</u>	<u>-</u>	<b><u>1,725</u></b>
Profit from operations	177	185	123	136	-	<b>621</b>
Finance income					68	<b>68</b>
Finance cost					(35)	<b>(35)</b>
Profit before tax						<b>654</b>
Tax					(2)	<b>(2)</b>
Profit for the year						<b><u>652</u></b>
Total assets	139	200	86	102	469	<b>996</b>
Total liabilities & equity	6	3	3	3	981	<b>996</b>

The group has four reportable operating segments: Audit, Tax, Consulting and Corporate Finance. The reportable segments reflect the group's principal management and internal reporting structures and are strategic business units that offer different services. They are managed separately because each business requires different skills and methodology.

The accounting policies of the operating segments are the same as those described in the summary of accounting policies shown in the annual report. The group evaluates the performance of the segments on the basis of revenue and profit or loss from operations before finance income, finance cost and tax expense.

Performance assessment of the segments includes a review of certain assets such as client receivables, amounts to be billed to clients and prepayments, segment liabilities reviewed include accruals and specific staff liabilities. All other assets and liabilities, including non-current assets, balances with partners, cash, provisions and retirement benefit balances are controlled centrally and are not allocated across service lines.

Inter-segment revenue is not material as revenue is shared proportionately by those service lines delivering services to clients.

**2. From financial information provided to the Professional Oversight Board as part of data submitted under the 'Key facts and trends in the accountancy profession' protocol showing the relative importance of audit work within the Audit business:**

<i>Revenue</i>	<i>Audit clients £m</i>	<i>Non-audit clients £m</i>	<i>Total £m</i>	<i>Percentage %</i>
Statutory audit work	363	-	<b>363</b>	<b>59%</b>
Non-audit work	108	148	<b>256</b>	<b>41%</b>
Total	<b>471</b>	<b>148</b>	<b>619</b>	<b>100%</b>
<i>Percentage</i>	<b>76%</b>	<b>24%</b>	<b>100%</b>	