



KPMG P/S Annual Report

Denmark's fastest growing
professional services firm

Annual report 1 October 2016 – 30 September 2017

kpmg.dk

CVR no. 25 57 81 98

KPMG P/S
Dampfærgevej 28
2100 København Ø

The annual report was presented and
adopted at the Company's annual general
meeting on 25 January 2018.

Chairman of the meeting

25 January 2018

A handwritten signature in black ink, consisting of several loops and a long tail, positioned below the text of the Chairman of the meeting.

Anticipate
tomorrow
Deliver
today

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Management's review

Company details

KPMG P/S
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CVR no.: 25 57 81 98
Established: 11 December 2013

Financial year: 1 October – 30 September

Board of Directors

Anette Harritz (Chairman)
Anja Bjørnholt Lüthcke
David Olafsson
Bo Johansen
Danny Golan

Executive Board

Thomas Hofman-Bang

Auditor

Redmark
Statsautoriseret Revisionspartnerselskab
Dirch Passers Allé 76
2000 Frederiksberg

Financial highlights

DKK'000	2016/17	2015/16	2015 9 months	2013/14
Key figures				
KPMG in Denmark Revenue*	575,358	491,377	279,056	103,187
Revenue KPMG P/S	424,003	368,832	205,451	63,200
Profit/loss from financial income and expenses	993	759	-2,480	-7,912
Profit for the year	0	0	0	0
Total assets	239,026	257,703	275,567	215,487
Investment in equipment and leasehold improvements	2,052	13,964	15,649	5,070
Equity	560	560	560	500
Cash flow from operating activities	-12,388	42,677	-21,633	22,291
Cash flow from investing activities	-3,363	-13,990	-20,996	-13,025
Cash flow from financing activities	-649	-5,614	19,128	16,649
Total cash flow	-16,400	23,073	-23,501	25,915
Operating margin	-0.2%	-0.2%	1.2%	12.5%
Current ratio	92.1%	92.2%	88.6%	94.5%
Return on equity	0.0%	0.0%	0.0%	0.0%

*KPMG P/S and Acor Tax P/S

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Ratios". For terms and definitions, please see the accounting policies.

Our results for the financial year reflect our economic condition: our continued strong growth and the provision of financial support by KPMG International. We have incurred costs in relation to our organic and continued growth, especially in regard to our hiring processes, attracting new talents and further investing in our tools and structures. These investments ensure the expanding delivery of high-quality services to our clients. This year's revenue is in line with our goals, and our net result is as expected given the support we receive from KPMG International.

Denmark's fastest growing professional services firm

2017 was a strong year for KPMG in Denmark achieving a 17% growth overall in revenue across Audit, Advisory and Tax. In addition, we have increased our workforce by 15% and built an organisation with more than 570 talented people*. Our revenue grew from DKK 492 million in 2015/16 to DKK 575 million during 2016/17. It makes us the fastest growing professional services firm in Denmark among the Big Four based on organic growth. This shows that our strategy and the services we provide resonate well in the market.

We have achieved profitable growth in all our business areas in accordance with our strategy and projections reaching 7% growth in Audit, 21% growth in Advisory and 24% growth within Tax. Our goal is not to be the biggest firm, but to be the best professional services firm. We are therefore proud to see that clients value our agility, business expertise and deep technological capabilities in a competitive landscape, where companies are engaged in a must-win battle to exploit and commercialise the use of disruptive technologies.

Becoming the clear choice

We are servicing more than 75% of the companies in C20 and 15 out of the 20 largest corporations in Denmark within Audit, Advisory and Tax. During 2016/17, we built a strong position as a trusted advisor on our clients' transformation journeys in a world of radical innovation and opportunities. We have consolidated a market leader position within our shared services and outsourcing advisory (SSOA) practice, winning a number of significant deals with new as well as existing clients, including Danmarks Nationalbank, Banedanmark, the Danish Ministry of Transport, Building and Housing, Falck, Skandia, the Danish Agency for Digitalisation and a large Danish-owned pharmaceutical company.

Within Deal Advisory, our experts completed the largest number of due diligence deals in Denmark with over 46 announced deals since last year, working on transactions with companies such as McDonald's, TDC Hosting and Saxo Bank.

In Audit, we built a solid client base in 2016/17 and had a number of exciting wins, such as If, the largest non-life insurer in the Nordics. These wins form a strong platform for continued growth.

From our offices in Copenhagen, Aarhus, Aalborg and Kolding, we have increased our activities and further enhanced our delivery model to the mid-market segment.

As companies classified as public interest entities (PIEs) are increasingly adapting to the EU Audit reform by managing their professional service providers, we see a larger flow of tax work between the major players in the market, which has increased the demand for our tax services. In addition, it has become increasingly complex to navigate the tax landscape, both in a Danish and international context, driving a strong demand for our tax services.

A successful one-firm approach

We are successfully working with a one-firm approach to ignite potential and create most value for our clients. In 2016/17, our one-firm approach resulted in a significant win, when KPMG was chosen as an outsourcing partner as part of a larger finance transformation project involving Audit, Advisory and Tax. The engagement involves client entities in up to 40 countries for one of Denmark's largest industrial companies and entails taking over direct tax reporting, tax accounting and statutory financial statements preparation.

“ I am proud to see that our agility, business expertise and deep technological capabilities resonate so well in the marketplace. Our goal is not to be the biggest firm, but to be the best professional services firm, working shoulder to shoulder with our clients. ”

Thomas Hofman-Bang,
CEO and Senior Partner, KPMG in Denmark

Best practice within robotic process automation

KPMG is experiencing a significant demand in the market for advice and implementation support within cognitive technologies. Clients have only just begun to realise the potential of digital transformation, and we expect a surge in the demand for our NewTech services in the next few years.

Global KPMG member firms and clients acknowledge our solid capabilities within new and disruptive technologies, looking to KPMG in Denmark for inspiration on developing robotic process automation (RPA) solutions and strategy development. For example, we offered customised solutions to telecommunications operator TDC when they were looking for the best way to roll out RPA and build a Robotics Centre of Excellence.

Fostering a strong ecosystem

It is important for KPMG to foster a strong ecosystem and connect our clients with entrepreneurs and start-ups to drive innovation and ignite value.

We recognise the importance of a flourishing start-up community in Denmark that can drive sustainable growth and bring value for our clients and society as a whole.

Engaging entrepreneurial networks

In 2016/17, several partners were active as experts and jury members in entrepreneurial networks and forums such as Copenhagen Fintech, Børsens Disruption Panel (Børsens Disruptionspanel) and the Danish Tech Challenge arranged by The Danish Industry Foundation (Industriens Fond).

During 2016 and 2017, we hosted 16 events and 9 third-party events engaging close to 1,400 participants, focusing on a broad range of pressing topics spanning artificial intelligence, machine learning, anti-money-laundering, trends within the insurance sector and cyber security. In addition, we sponsored CFO of the Year with Berlingske and TechBBQ, Denmark's largest tech and innovation summit.

Enabling our extraordinary people

Our ability to work as One Firm and be the clear choice for our clients stands firmly on the fact that our people are extraordinary. Professional services firms are all about people, and we therefore strive to attract the best talent in the market who ignite potential in themselves, their colleagues and our clients.

Furthermore, KPMG employees are committed to making a positive difference in society. In 2016/17, we worked with NGOs such as UNICEF, Save the Children, Dyrenes Beskyttelse and Gigtföreningen. We also strengthened our collaboration with the NGOs Plastic Change and Mind Your Own Business. Whether it is keeping plastic away from the Baltic Sea or mentoring young entrepreneurs in Copenhagen and Aarhus, we are proud of our people improving our local communities.

We constantly aim to offer an attractive workspace for our KPMG employees. This year we hired 219 agile specialists and launched an enhanced two-year graduate training programme, the Future Focus Graduate Programme, for which we received

more than 1,000 applications and attracted 35% more graduates than in 2015/16. Furthermore, we promoted 62 outstanding colleagues who bring our high performance culture to life.

Quality and trust

Quality and trust are at the core of everything we do. During the recruitment process, all new KPMG people learn the importance of living our values each and every day, and the role they individually play to earn and sustain public trust.

Diversity is critical to our success

Diversity and equal opportunities are high on the leadership agenda in KPMG. We value diversity and provide equal opportunities to both genders regardless of background in recruitment and promotion processes, which is strongly recognised by our employees in our annual people survey.

A diverse and inclusive workforce is critical to our success; it defines how we work and who we are. By fostering a welcoming environment for all people, we can leverage that diversity to deliver exceptional client services. Today, 39% of all our employees are women.

We aim to continuously improve our diversity targets in Management over the coming years to reach a gender balance ranging between 40-60% in Management levels below the Board of Directors (i.e. Leadership Team and other Leaders with direct reference to the CEO). Today, our top management level consists of eight people, of which five are men and three are women, corresponding to a total of 38% women. Our policies to increase this number include recruitment, retention, maternity programs, promotions and career plans etc. This work is headed by our Senior Partner supported by a dedicated group of women at all levels. We have set up KPIs to measure progress.

Our Board consists of five highly skilled partners, of which two are women, including the Chairman of the Board, and three are men. We are proud to have achieved gender diversity on our Board.

Strategic outlook – ONE in 22

Our success in 2016/17 is an important stepping stone towards our new strategy and vision of becoming ONE in 22. ONE in 22 captures three dimensions: Our ability to work seamlessly across our organisation as **One Firm**, working shoulder to shoulder with our clients and setting the right teams with diverse capabilities, aiming to be the **leader in selected market areas** and to reach a revenue of **DKK 1 billion** no later than in 2022. It is an ambitious and realistic goal and one that we are confident we can reach. Our journey so far is a testament to our ability to execute our strategy successfully.



Principal activities and financial position

Principal activities of the Company

Our principal activities are the provision of professional services to Danish and foreign businesses within the technical expertise areas of audit, advisory and tax services. We do this across a wide and growing range of services, including the audit of financial statements, other assurance engagements, management consulting, risk consulting and deal advisory.

Operational risk

The operational risks facing our business include those we have in common with other professional services firms. This is notably a deterioration in market conditions, claims and reputational damage caused by either an actual or suspected failure to deliver services of appropriate quality, or by taking on inappropriate clients or engagements. We have implemented a system of quality control based on KPMG International's Quality Framework. Our Transparency Report, issued on 30 January 2018, describes the key elements of our quality control system. We are committed to consistently achieving the highest standard of quality, ethics and integrity in day-to-day activities as a responsibility we bear to our clients, regulators, communities and capital markets. Find the Transparency Report on our website, www.kpmg.dk.

Financial risk

We have received funding in two ways: grants from KPMG International which do not require repayment/reimbursement and loans denominated in USD. KPMG International will continue this form of support, and we acknowledge that this potentially exposes us to minor risks related to the USD exchange rate variations. We are also exposed to credit risk though we do not have material credit risk on individual debtors.

Events after the balance sheet date

No events have occurred after the balance sheet date that could significantly affect the financial statements for 2016/17.

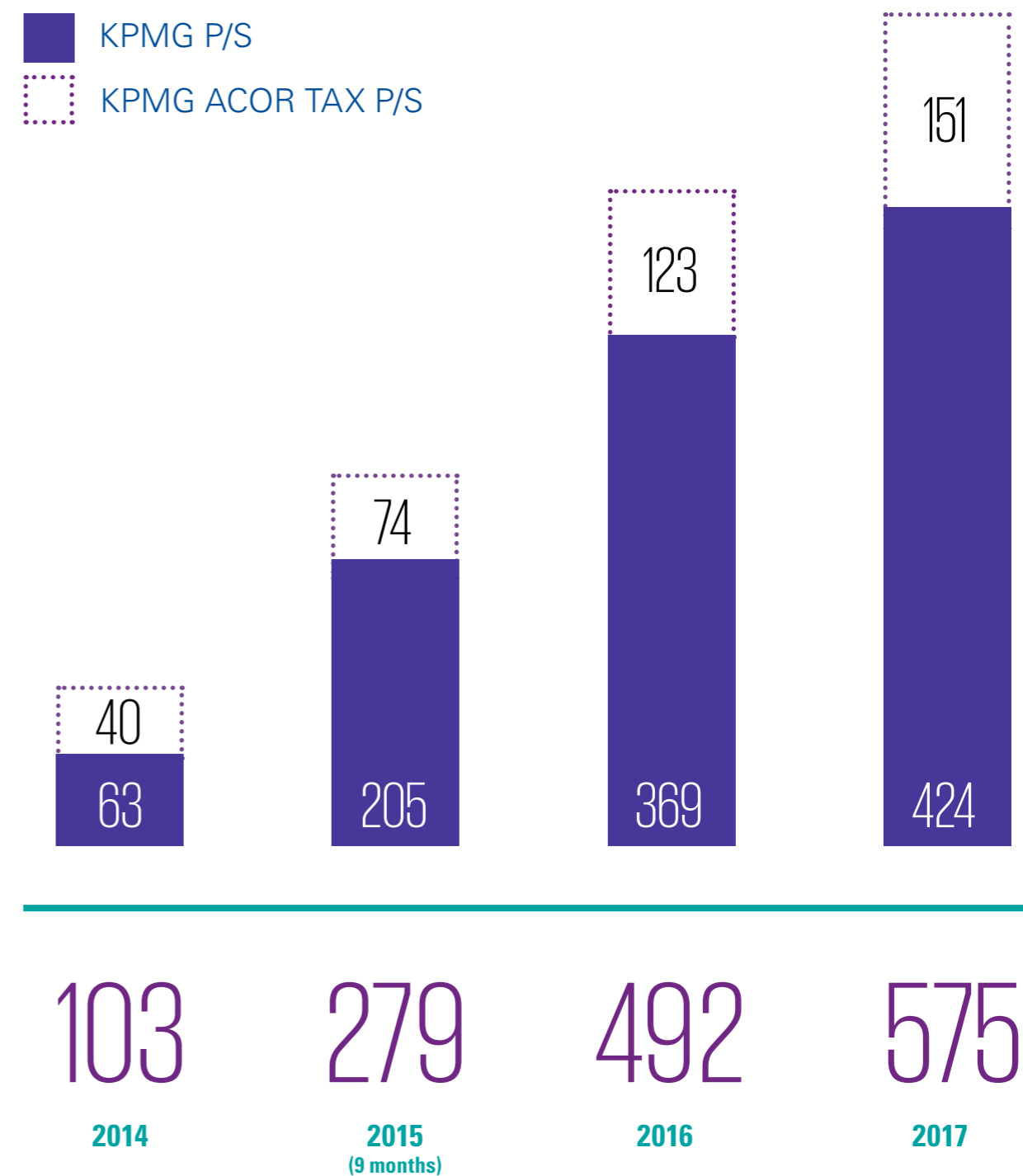
Reporting on our carbon footprint

KPMG in Denmark aims to operate in an environmentally friendly way. Our headquarters on Dampfærgevej 28 in Copenhagen uses energy-efficient technology; most of our lights are LED light bulbs that automatically turn off after 30 minutes of inactivity.

We collaborate with Meyers Kantiner, who use 40% of organic fresh produce to cook our lunches five days a week. We sort our waste according to their type, as well as recycle paper, ink cartridges and used coffee grounds.

Globally, KPMG aims to run on 100% clean energy by 2020. In Denmark, we too wish to align with KPMG International's ambitions and plan on running on 100% green energy by 2020.

Increase in revenue



Combined revenue of KPMG P/S and KPMG Acor Tax P/S, DKK million

Our Global network

KPMG is a global network of professional services firms providing audit, advisory and tax services. We operate in 154 countries and have 197,000+ people working in member firms around the world. We work closely with a broad range of clients, such as business corporations, governments and public sector agencies and not-for-profit organisations. We support them in mitigating risks and exploiting business opportunities.

197,263 

Global no. of employees

26.40 

Combined global revenue USD billion

5% 

Global revenue growth rate

154 

Countries in which member firms operate

About KPMG in Denmark

In Denmark, KPMG is organised in two separate legal entities that provide services through a cross-functional collaboration between KPMG P/S (licence to provide audit and advisory services) and KPMG Acor Tax P/S (licence to provide tax services).

572 

Total no. of employees and partners

5 

Offices in Copenhagen, Kolding, Aalborg and Aarhus

39 

Graduates joining the Future Focus Graduate Programme

17% 

Local revenue growth rate

22% 

Additional LinkedIn followers since last year

61%  39% 

Men

Women

400 

Learning and Development courses

1,400 

Participants took part in one or more of our 16 events and 9 third-party events

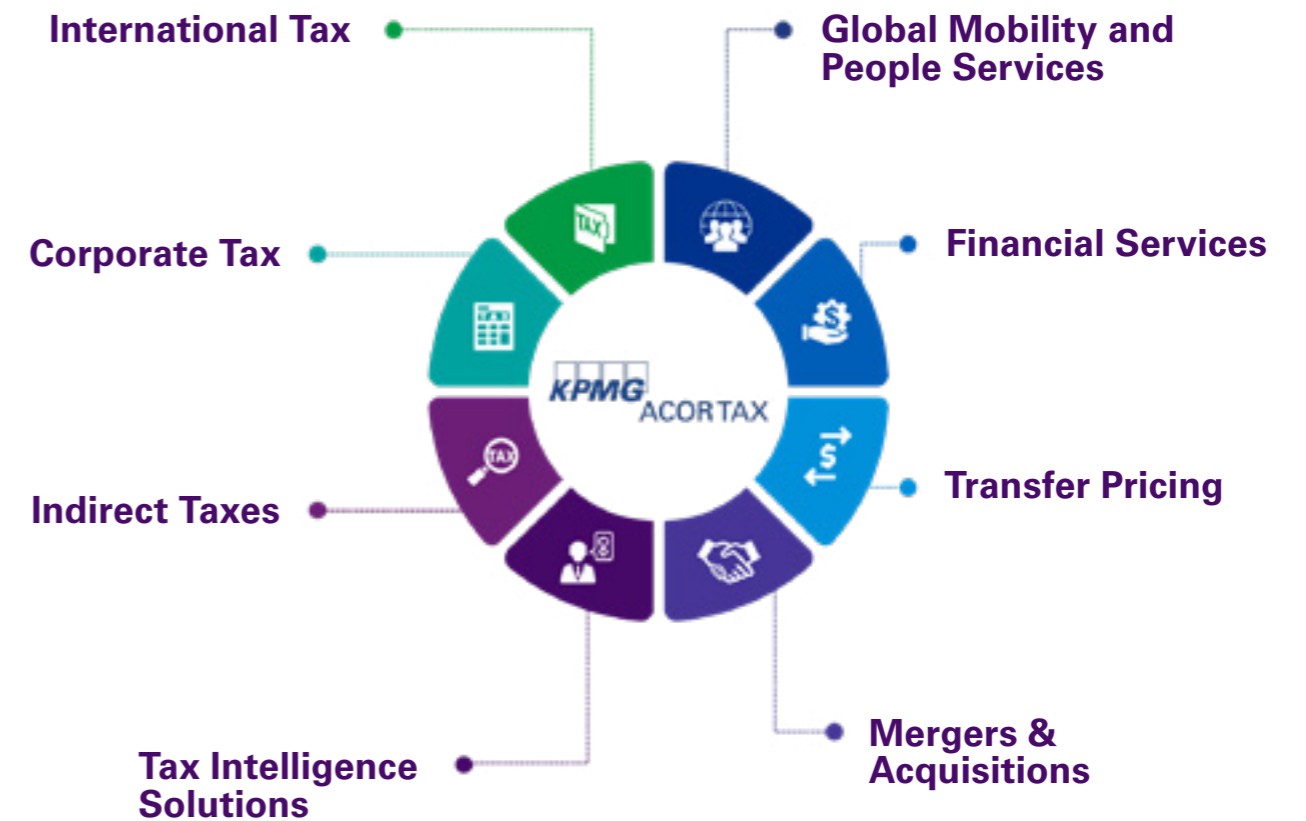
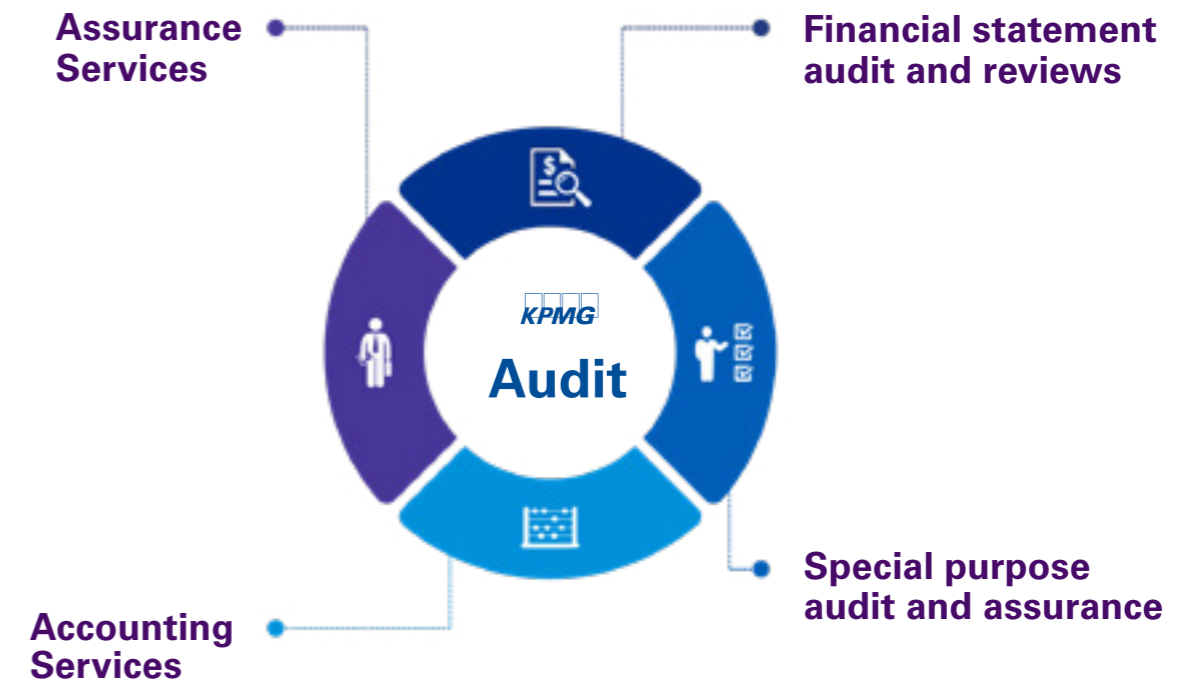
219 

Total no. of employees and partners onboarded

4,000+ 

Twitter followers since January 2017

KPMG Services in Denmark





Building trust in the digital age

Audit

Changes are now a given in our profession, but some things remain constant. One is the vital role audits play in the public trust and the confidence that regulators and those providing capital and resources can place on financial information. Consequently, we are committed to audit quality, independence, ethics and integrity.

Having a consistent approach to our audits, with a relentless focus by our professionals on quality, is what the public and users of financial statements expect, and we apply the same quality tools and methodology in Denmark as KPMG audit professionals around the world. We continuously strive to keep our audit quality to the highest standard, by investing in technology and education and expanding the skills of our professionals through coaching, training and experience.

During 2016/17, we further developed our strategic focus areas and strengthened our market approach. We grew our revenue and are working with more and more businesses and often in close collaboration with advisory and tax across service lines. In addition, the implementation of the EU audit reform in Denmark is in place. We are prepared to act on the upcoming audit rotations.

Data-driven auditing with KPMG Clara

Delivering an audit today requires much more than issuing an opinion on a set of financial statements. Powered by our newly developed smart audit platform KPMG Clara, our Dynamic Audit methods allow us to dig deeper into the data, revealing more about our clients' business and associated risks.

With KPMG Clara, our teams are able to analyse and apply their judgement to entire data populations and sets of transactions - no longer only on selected samples. This means that we get better audit evidence, resulting in a higher-quality audit. It also gives our clients the possibility to gain new insights into their business.

The KPMG Clara platform facilitates a centralised way of exchanging information, and our clients can follow the status of our audits and issues that have been identified in real time. KPMG Clara is an example of how we strive for continuous refinement and improvement in how we execute our audit processes.

Real benefits today. Ready for tomorrow.

KPMG Clara is our smart, new Data & Analytics-enabled audit platform that allows our clients to interact with KPMG online on a real-time basis as we perform their audit, bringing them deeper, actionable and relevant insights.

Collaboration in the audit

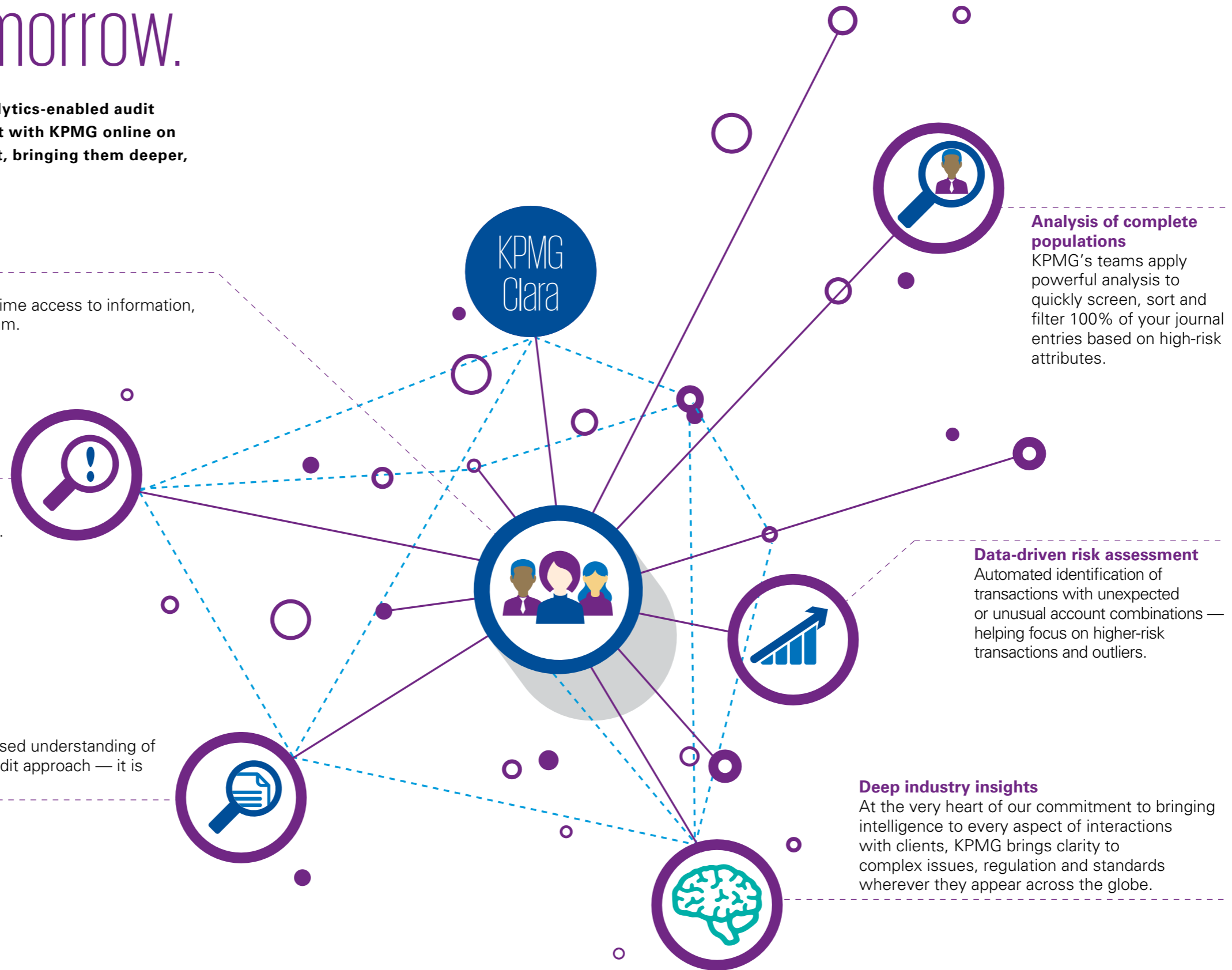
Your KPMG Audit home page gives you real-time access to information, insights and alerts from your engagement team.

Issue identification

Stay up to date on audit progress, risks, and findings — before issues become events.

A fresh perspective

Our technology provides teams with a risk-based understanding of significant accounts to help them build the audit approach — it is fundamental to our audit.



Analysis of complete populations

KPMG's teams apply powerful analysis to quickly screen, sort and filter 100% of your journal entries based on high-risk attributes.

Data-driven risk assessment

Automated identification of transactions with unexpected or unusual account combinations — helping focus on higher-risk transactions and outliers.

Deep industry insights

At the very heart of our commitment to bringing intelligence to every aspect of interactions with clients, KPMG brings clarity to complex issues, regulation and standards wherever they appear across the globe.

Strengthening the mid-market

From our offices in Copenhagen, Aarhus, Aalborg and Kolding, we have increased our activities and further enhanced our delivery model to the mid-market. Our audit tools have been improved specifically to ensure our competitive edge and efficient processes to benefit client needs in this segment. In 2016/17, we built a solid client base, and had a number of exciting wins, which form a solid platform for growth in the mid-market going forward.

Furthermore, we are active in relevant start-up fora, and over the year, we have supported a large number of start-up companies with significant business potential, which is a strong foundation for further growth in the start-up segment.

Assurance provides value and trust

The market is demanding more accountability and transparency from companies in all aspects of their business and the traditional financial reporting model is no longer all that investors need. In short, the world has changed, and KPMG's Accounting Assurance Services is responding to the changes.

KPMG's Accounting Assurance Services performs independent assurance reports over financial and non-financial information, which leads to higher confidence and trust in the information.


We are experiencing an increased need for our assurance services team and as a result, the number of clients increased in 2016/17. This is due to the growing complexity and demands associated with financial reporting. A growing number of businesses need to confirm to third parties that financial and non-financial information provided by them can be trusted as a base for decisions, confirmation of compliance, etc.

Reporting on CSR creates value

Among the services and engagements delivered by KPMG's Accounting Assurance Services, especially the Corporate Social Reporting and Sustainability Services were well received.

We experienced an increased demand for independent assessments over prospective or current clients, and suppliers. The assessments are a supplement to ordinary credit ratings and 'know your customer' procedures, which mitigate risks and provide relevant input for decision-making regarding potential future cooperations.

KPMG's Accounting Assurance Services also supports audit committees and internal audits with inspiration, quality assurance as well as performing specific audits for or together with internal audits.

A portrait of Malene Gybel, a woman with long, straight brown hair, wearing a white ribbed sweater with gold buttons. She is looking slightly to the right of the camera with a neutral expression.

“ We needed a fresh pair of eyes to take a proactive look at our accounting processes, and KPMG has shown itself to be very agile.

At Baum & Pferdgarten, we constantly challenge each other in creating collections filled with clashing contrasts, strong colours and memorable prints as the fundamental design DNA. We believe KPMG is a good match as an accountant and a trusted business advisor as they have presented an agile setup with innovative approaches to their deliveries. ”

Malene Gybel
CFO, Baum & Pferdgarten

“ During 2016, we won Bjarke Ingels Group (BIG) as a new client. We have supported BIG with audit and tax services, including advice in respect of transfer pricing. BIG is undergoing an incredible development, and we are proud to follow their global expansion from offices in Copenhagen, New York and London. ”

Henrik O. Larsen,
Partner and Head of Audit at KPMG in Denmark

Deploying our cross-Nordic capabilities to meet market demand

Financial services

The strategic agenda for the Financial Services industry is dominated by evolving regulation aimed at improving transparency, while demographic changes and the rise of disruptive technology are paving the way for new competition from non-traditional financial entrants. In a digital world customers expect to receive tailored products and services and access them in the way they want. This development opens up new opportunities and challenges within insurance and banking.

KPMG's financial services team counts specialised auditors and advisors, working cross-functionally between audit, actuarial services, risk management, valuation of investments, compliance and tax. We aim to provide customised solutions and embrace technology that can radically improve our clients' internal processes and customer services, while having a stringent risk management and compliance setup.

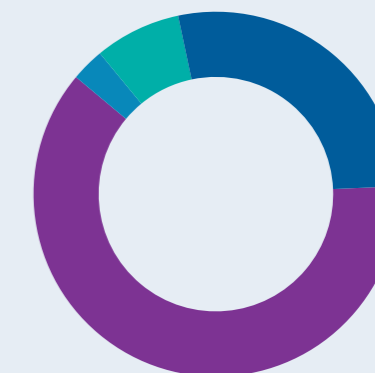
We are proud of the fact that, within a three-year period, we have established one of the leading audit teams in Denmark within non-life insurance and we are now the second largest audit firm of non-life insurance companies. We have in parallel successfully established a strong position across the Nordics, where we provide financial services to some of the leading companies within insurance and banking.

*Measured on gross written premiums at our clients.

KPMG audits a large share of the Danish non-life insurance market

Auditors in non-life insurance

After gross premiums 2016



KPMG	●	27%
EY	●	8%
PWC	●	4%
Deloitte	●	61%

KPMG will replace EY as auditors of If from 2018; Deloitte has replaced KPMG as auditors of Gjensidige from 2017.

KPMG's financial services team has continued supporting Danish life and non-life insurance companies with audit services, implementing regulatory and accounting changes, IT transformation projects and tax services to name but a few. In 2016/17, we continued our cooperation with our Nordic financial services teams leveraging our competencies across the Nordic region offering them unparalleled integrated services across borders and service lines, putting the client in centre. Our efforts manifested in our most recent audit win of If, the largest Nordic non-life insurer.

On the regulatory agenda, we saw a continued demand for efficient outsourcing solutions bringing best practises and competencies to insurers of various sizes. With Solvency II now operating on its second year, we are supporting more than ten companies both within the life and non-life sector with outsourcing of actuarial, risk management, compliance and internal audit functions.

2017 was also the year when the long-awaited accounting standard for insurance contracts was published. KPMG's actuarial and accounting team has already helped a number of large insurance companies with preparing for the future changes.

From both a Nordic and European perspective, we expect an increased demand for financial services, and combined with the EU audit reform, this will result in continued opportunities. We continue our strategic focus on the insurance sector and expect to continue strengthening our actuarial team, management consulting team as well as adding more certified insurance auditors to our team in the coming years.

Strong demand for innovative banking services

KPMG's banking team supports both Danish, Nordic and international banks and various financial institutions implementing regulatory requirements and change management, covering both anti-money-laundering and general compliance issues, such as GDPR, IFRS9, MiFID II, modelling, risk management and tax. We experienced a high demand for our services in 2016/17 especially within AML and IFRS 9, where we advised several of the largest Nordic banks.

The need to address regulatory challenges in the financial services sector through innovative technology is significant, and we expect considerable growth in this area in 2018. Our financial services team is working closely together with our NewTech team to provide cutting-edge technology solutions to our clients driving both efficiency and value. We have established a Robo Store, which combines technology and anti-money-laundering on a new level using robotic process automation and machine learning, which substantially increase the efficiency, level of accuracy and trust.

In addition, we will continue to enhance our Nordic banking networks within all regulatory aspects, to ensure the best competence hub across the Nordic region and provide the best outcome for our clients.

“ The environment and business models of most insurers are changing rapidly. It has never been more important for insurers to embrace the new technological opportunities, while still having a stringent risk management and compliance setup.”

Anja Bjørnholt Lüthcke
Partner and Head of Financial Services

Addressing our clients' most critical challenges

Advisory



Our purpose in Advisory is to ignite the full potential of our clients in a competitive landscape shaped by new technologies, innovative business models and an exponential growth in data. We combine our deep business expertise with cutting-edge technologies and use data and analytics to ensure that our clients' endeavours are successful. 2016/17 was a busy year with significant growth across our service lines. We are proud of our extraordinary people working shoulder to shoulder with clients to solve their most critical business challenges.

Extreme automation and new technologies in finance

CFO Advisory

The role of the CFO has become more complex. To be successful you need a keen understanding of the business and the ability to both cut costs, grow revenue and ensure control, while understanding and utilising new technologies that can give valuable business insights and create value.

Two out of three CEOs from high-performing organisations believe that the CFO's role will increase in significance over the next three years, as compared with other C-suite roles*.

CFO of the future

The CFO of the future is an important business partner for the entire organisation who must be able to support the business with both knowledge and recommendations. In CFO Advisory at KPMG, we help define the role of the future finance function and develop strategic goal setting.

During 2016/17, KPMG assisted CFOs with a wide range of strategic projects. We helped several global companies redesign their Finance Operating Model, leading to both offshoring of selected activities as well as extreme automation of the finance processes.

Technology is disrupting every aspect of modern businesses and has tremendous beneficial potential if applied intelligently. Robotic process automation (RPA) can be used in many different settings, which is why CFOs now also look to new technologies in response to the rapidly changing demands on finance.

RPA and rule-based finance

We have successfully implemented RPA and rule-based finance processes resulting in greater capacity for value-adding activities for a number of clients. We expect these services to increase in 2017/18 in combination with the increased utilisation of machine learning and artificial intelligence in finance functions.



Årets CFO 2017

“ Before embarking on the extreme automation journey, the CFO must consider a few fundamental questions. Firstly, it is essential to understand which business disruptors that are impacting your business and determine your appetite for automation. Secondly, it is key to evaluate how these disruptors are impacting your delivery model, locations and the capabilities of your workforce. ”

Bo Johansen,
Partner and Head of CFO Advisory

Real results, achieved by integrated specialists

Deal Advisory

The Danish Deal Advisory team in KPMG consists of 40 specialists who cover all needs on a transaction ranging from financial and commercial due diligence to valuation and M&A advisory. We are part of a global team of more than 9,500 Deal Advisory professionals.

In the past year, we have witnessed yet another period of high deal volumes across the Nordics and, thereby, also in the local Danish market where we primarily assist our clients. With 46 announced deals since early 2016, KPMG Deal Advisory tops Mergermarket's financial due diligence list for the Danish market. McDonald's, A2Sea, Stark, TDC Hosting, Saxo Bank and Bluegarden are among the companies where KPMG has performed due diligence.

Traditionally, Deal Advisory is one of KPMG's core strengths, and we are grateful for the trust our clients show us, having assisted on a string of high-profile deals for both corporate and private-equity clients and financial institutions over the past year.

We do not stick to tradition, and we are on a constant journey to transform and enhance our capabilities. We are moving from simply delivering services to clients to bringing together complementary services from across Deal Advisory and the wider firm to bring to our clients our combined skills to face their challenges wherever they are in their economic cycle.

Improving our full spectrum of services

An important part of Deal Advisory that has greatly improved our full-spectrum client services over the past year is the addition of a fully focused valuations team. Valuations is an integral component of our corporate finance projects and ties nicely into both financial due diligence processes and into servicing our audit client base.

Looking ahead, we see no signs of the deal environment retracting in any near future. Easy access to debt combined with a high level of cash reserves, the trend of corporate carve-outs allowing CEOs to carry out deals, combined with private-equity firms' strong cash position all seem to point towards an active Danish and wider Nordic M&A market.

At KPMG Deal Advisory, we have a seamless offer running from strategy through to execution to achieve real results. Those results let our clients clearly see what they gained from the deal at hand, and again what they can bring to the next deal down the road.

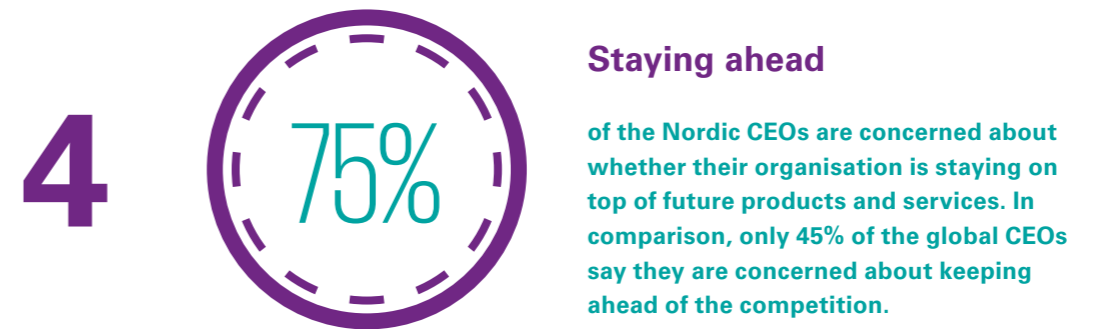
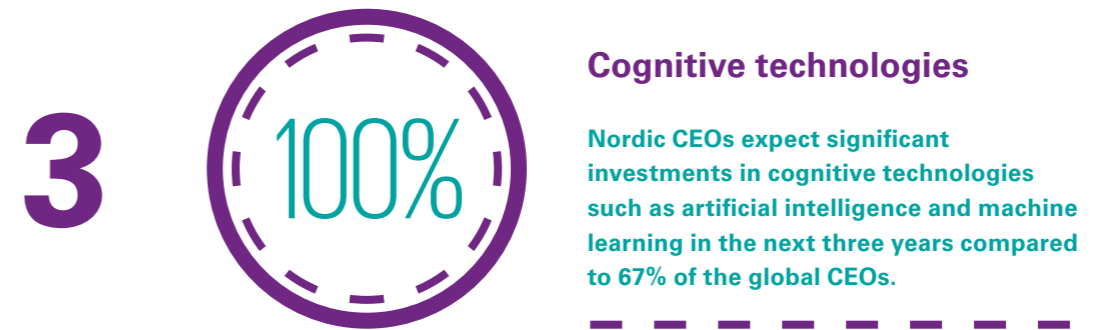
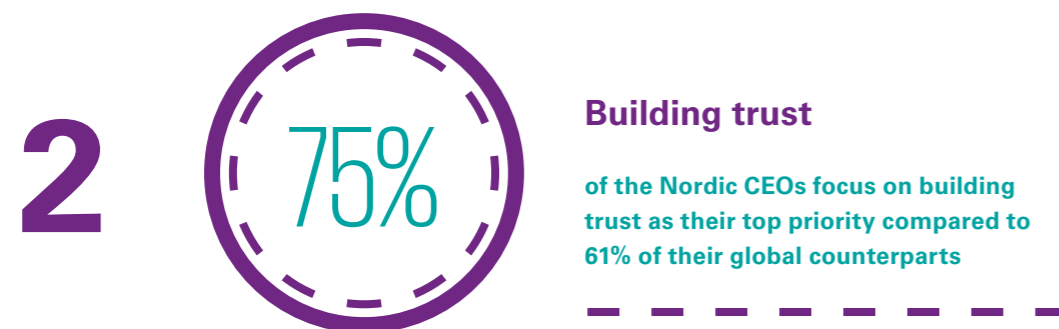
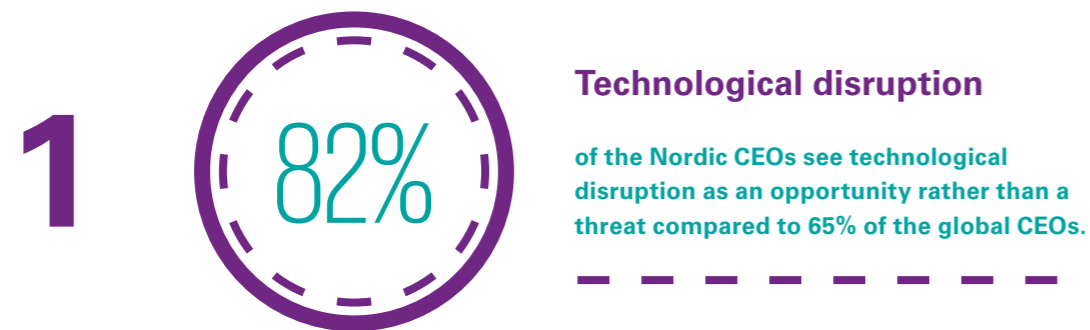
“ With 46 announced deals since early 2016, KPMG Deal Advisory tops Mergermarket's financial due diligence list for the Danish market. We are very grateful for the market trust we have managed to build in such a short time and will continue our efforts to strengthen that trust and confidence! ”

Dale Treloggen,
Partner and Head of Deal Advisory

CEOs as chief disruptors

CEOs see themselves as chief disruptors of their own companies. Building trust has become a top priority among Nordic CEOs and they expect to invest significantly in cognitive technologies in the next three years according to KPMG's global study CEO Outlook, based on interviews with 1,261 CEOs in 10 key markets, including 51 Nordic CEOs.

Key findings:



About the 2017 Global CEO Outlook – Nordic Executive Summary

2017 Global CEO Outlook interviewed 1,261 CEOs in 10 key markets (Australia, China, France, Germany, India, Italy, Japan, Spain, UK and US). 51 Nordic CEOs answered the survey. The surveyed Nordic companies represent the consumer and retail, banking, manufacturing, automotive and energy industries. In addition, the surveyed companies operate with a revenue range of USD 500 million to more than USD 10 billion. The survey was conducted between 21 February and 11 April 2017.



“ During 2017, Danmarks Radio worked intensively on preparing the organisation to be in compliance with the EU GDPR from May 2018. Being successful in this endeavour requires solid risk assessments and concurring prioritisations.

In its role as a trusted advisor, KPMG was instrumental in ensuring that a sound risk-based approach was applied to the programme and each activity within, with the purpose of avoiding neither over- nor under-implementation of the regulation in Danmarks Radio.”

Mirella Hansen

Head of Group Financial Reporting and responsible for the EU GDPR project at Danmarks Radio

Aligning IT with business strategy

IT Advisory

EU General Data Protection Regulation in its final phase

With the EU General Data Protection Regulation (GDPR) coming into effect in May 2018, many of our clients across corporate and public sectors have found themselves challenged by the potentially daunting magnitude of required changes to both IT systems and internal procedures.

At KPMG, we assisted our clients by bringing together strong capabilities within regulatory, IT, information security and process excellence to help our clients identify and execute upon the most efficient and suitable way of aligning organisations with the upcoming regulation.

Deep understanding of the EU GDPR regulation

We have continuously found that it requires a deep understanding of the principles of the GDPR regulation and good information security practice, as well as a broad approach to fulfilling these in order to drive successful privacy transformations.

KPMG in Denmark partakes in numerous projects in this area, ranging from peer-review of project plans, gap analysis and road map creation as well as being programme leads, delivering the full set of projects in order for our clients to turn privacy requirements into both a competitive advantage and a sustainable compliance setup.

A business-led approach to cyber risks

During 2016/17, our clients saw a continuous rise in cyber threats, and they also saw notable examples in Denmark and abroad on how severe the impact of cyber attacks can be. While the specific business risks are determined by the nature of each client, we have experienced an increasing desire to manage this risk more comprehensively and with amplified top management attention.

To some clients, the dominant risk is loss of credibility and brand reputation in their market and with key stakeholders, where other clients are more prone to risks related to key IT systems going offline or data becoming unreliable, Intellectual Property being stolen, financial losses due to digital fraud and other significant risks.

As the overall IT risk landscape increases with an increased level of digitalisation of business processes, IT dependence and volume of data, we spend more time helping clients prioritise how to understand and efficiently align residual risks with their specific risk appetite. We have seen and continue to expect an increase in the demand for assisting top management/board of directors in formulating their risk acceptance levels – and then translating these into actionable tasks, road maps and KPIs that can be reported on.

Preventing, detecting and responding to cyber threats

At KPMG, we provide both management consulting and a full stack of technical cyber services to our clients improving their posture in terms of both understanding, preventing, detecting and responding to cyber threats. In line with 2016/17, we expect that focus on 'responding' will continue to climb at an even faster pace in 2017/18. This is both a recognition of the fact that any organisation may very well be compromised, despite sophisticated and costly prevention controls, but also a testament that many organisations have under-invested in these capabilities for a long period of time and now need to catch up on old debt. On that end, organisations need to assess if they prefer building strong internal capabilities or if it is more desirable to partner with for example KPMG's incident response.

Our team, offerings and cyber security services strategy made KPMG the international leader in Forrester Wave Information Security Consulting Services review in 2017.

Data & Analytics is driving up trust across industries

2017 was a strong year for KPMG's Data & Analytics agenda driving a range of different projects across banking, insurance, retail and more. We worked with clients on projects based on machine learning (ML), artificial intelligence (AI), neural networks and natural language processing. It is key for our clients to drive value from data, and they see this not only as a way to gain a competitive advantage, but as a necessary development in their industry to stay competitive, prevent fraud, intelligently automate tasks and predict outcomes.

The use of advanced analytics also drives an increased focus on more traditional areas of data, where areas like data quality and trust in data are critical not only for providing the traditional report and dashboard, but also for driving advanced analytics with better results. KPMG has therefore been involved in many projects helping private companies

and public companies such as Vejdirektoratet with projects around Master Data Management, Data Governance and Performance Management reporting.

In KPMG, Data & Analytics goes far beyond technology. The real success lies in bridging technology and business to transform an organisation's way of working. This belief has led to KPMG being named a leader among insight service providers in The Forrester Wave™: Insights Service Providers, Q1 2017. According to Forrester Research, "KPMG has cracked the code for balancing business and technology expertise" and is "on the forefront of innovation."

At KPMG, we believe that, in a global environment defined by constant disruption, business leaders need to be confident in their decisions, and that means being confident in their data, their algorithms and their analytics capabilities.

“ At KPMG in Denmark, we strongly believe that cyber security should be about what you can do – not what you cannot do. By adopting a positive approach to information risk, we help our clients achieve their full business aspiration, despite the raging risk landscape. ”

Kasper Carøe,
Partner and Head of IT Advisory

Driving transformation and innovation in the public sector

Infrastructure, Government and Health Advisory

In Infrastructure, Government and Healthcare (IGH), KPMG experienced significant growth in the last year, both in terms of the number of staff and in turnover.

The public sector is under pressure to deliver more cost-effective services to an increasing population, and to meet its citizens' higher demands regarding response times and real-time interaction. Therefore, the public sector is forced to utilise the newest digital solutions to deliver trustworthy services at reduced costs.

Automation, artificial intelligence and voice bots

Based on the newest technologies, KPMG works shoulder to shoulder with our clients to develop tailor-made solutions increasing quality, efficiency and trust in services provided by the public sector. We are delivering leading-edge technology to drive value creation for clients in the public sector. Our services include business process automation using disruptive new technologies such as robotic process automation (RPA), artificial intelligence (AI) and virtual assistants (VA) to automate both existing and new processes from initial proof of concepts to full-scale mobilisation and industrialisation at a broad spectre of the IGH clients. The technology has wide appeal to our customers and is implemented in all of our focus sectors such as transportation, energy, local and central governments as well as in the healthcare sector.

In the City of Copenhagen, KPMG is exploring and testing the use of Danish voice bots to improve the city's customer service. The introduction of voice bots has very good prospects and can expectedly free up large resources in the call centre.

High demand in the market

KPMG is delivering a wide range of services to IGH focus sectors in the shape of IT project management, test management, sourcing services, business analysis and specific sector insights. In 2016/17, IGH strengthened its public team of specialists with several experienced professionals across healthcare, infrastructure, local and central government due to high demand in the market. We can see that the combination of deep local industry knowledge and our ability to work seamlessly across borders in our global KPMG network is valued among our clients.

In the last year, we assisted key infrastructure providers in the transport and energy sectors with key IT transformations, strategy development and operational improvements. We further strengthened the team with a number of key resources that will enable us to deliver value-adding services by combining technical and financial capabilities.

Also in the healthcare sector, we strengthened our team in Denmark. We have now leading capabilities within the sector and local presence to support our 4,000-staff healthcare practice in the local market.



“ In the City of Copenhagen, we are striving to introduce the newest technology to support our employees and to be able to deliver the best and most cost-efficient services. In this context, we are working with KPMG on developing a voice bot in our call centre for internal support and administration. KPMG is a knowledgeable partner, and the KPMG resources work with a high level of technology insight. KPMG's work is competent, and the project so far has introduced us to a new and innovative technology. ”

Søren Ahrensberg,
Head of the call centre in the City of Copenhagen

Pushing the limits and expanding the mindsets of our clients

NewTech Advisory

KPMG NewTech implements and transforms our clients' services, processes and products through cutting-edge technology and new practice advisory. Our team advises on how to navigate in the rapidly changing market by utilising emerging technologies and implementing the solutions together with our clients.

We see the market for robotic process automation (RPA) maturing. However, many companies still have challenges moving beyond proof of concepts due to a lack of well-defined operating models that are scalable and ensure alignment across the organisation. KPMG NewTech delivers support to our clients by professionalising and scaling established RPA initiatives to achieve full potential, whilst preparing the client's organisation for incorporating complimentary emerging technologies, such as machine learning (ML), that are already present in the marketplace.

Overcoming the difficulties of machine learning

Numerous companies are increasingly exploring advanced technologies to optimise the entire business and customer journeys. In collaboration with clients, KPMG NewTech implements advanced and cognitive technologies such as machine learning, chat/voice bots, blockchain, and virtual/augmented reality. We have for instance supported a client building an algorithm that can interpret the content of client mails and suggest appropriate responses.

However, many clients with ambitions of implementing machine learning (ML) have difficulties moving their ML algorithms into production because the skill of operational maintenance is not an underlying capability inherent for a typical data scientist. We assist clients with these tasks and develop algorithms that enable our clients to deliver new services or analyse large data sets to identify trends and potential for optimisation.

“ Everyone, including ourselves, tells companies to think big and start small. We see that our clients are starting small and beginning to have a fail-fast-forward mindset. Now they just need to think big! ”

Bent Dalager,
Partner and Head of NewTech Advisory

Making the C-level conscious of technology

The availability and integration of cognitive technologies put significant pressure on the C-level. It is essential that management not only understands the technologies and their potential, but also how to seize and realise the opportunities that emerge from the exploitation of these technologies. Many companies are still struggling to find the right formula for working with them, and as a result they are increasingly leveraging our NewTech team's experience. Consequently, we see growing participation in our Exponential Education courses, where focus is on changing the C-level's mindset to be more technology conscious.

Due to the increasing demand in the market for advice and implementation support within cognitive technologies, KPMG NewTech is experiencing a significant growth. Clients have only just begun to realise the potential of digital transformation, so we expect a surge in the demand for NewTech services in the coming years. This is why we are continuously strengthening our delivery.

Selection of NewTech implementations:



Building a Robo Appstore with ready-to-implement automations of anti-money-laundering and "know your customer" compliance processes such as FATCA/CRS.



Implementing machine learning solutions, for example using an algorithm to find the right templates for answering written inquiries.



Implementing scalable operating models for digital labour.



Developing voice and chat bots to assist advisors in their communication with customers.

Extra points from NewTech on machine learning:



Machine learning is the underlying technology empowering cognitive solutions such as natural language processing, robotics and speech and face recognition.

“ At TDC, we have established a Robotics Centre of Excellence with focus on robotic process automation. This initiative will help us accelerate our digital efforts and ultimately improve our customers' experience. We worked closely together with KPMG NewTech, and I was very pleased with their deep insights in designing an organisational framework to make the most out of our efforts with robotic process automation. ”

Jonas Sveistrup Søgaard,
Head of Robotics Center of Excellence at TDC Group



Bringing value to the process of IT outsourcing

Shared Services and Outsourcing Advisory

IT departments are under a constant pressure to deliver better and more flexible services at a lower cost level, and outsourcing has become an increasingly important instrument to meet those demands.

Assisting our clients during IT sourcing strategy and contracting remains the focus area of KPMG's IT Sourcing Advisory practice (SSOA) together with a palette of advisory services designed to help our clients preparing for outsourcing as well as transitioning of services.

KPMG's experience together with a proven IT operating model methodology helps our clients reshape their IT organisations to new normal, where the ability to meet business requirements is becoming increasingly important, and IT services are being delivered by external service providers to a larger extent than ever.

Transition and transformation

Transition and transformation assistance is an equally important area for SSOA. Many outsourcing clients prefer having specialist assistance managing the transitioning of services to the new supplier or during service transformation. KPMG is able to offer a package where the client is supported from contract signature until the new supplier is fully onboarded and delivering at full speed.

Market leader in outsourcing

We have a dedicated team working within the IT outsourcing and procurement area and a track record of high-quality performance and a strong reputation among other key players in this field. KPMG has become widely recognised as a market leader in the Danish outsourcing market. Our position as a market leader helped us win a number of significant deals with new as well as existing clients during 2016/17, including Danmarks Nationalbank, Banedanmark, the Danish Ministry of Transport, Building and Housing, Falck, Skandia, the Danish Agency for Digitalisation and a large Danish-owned pharmaceutical company.

Forming strategic partnerships

Drawing on the solid procurement expertise in the KPMG network, the Danish Procurement team has joined forces with KPMG in Norway to deliver procure-to-pay solutions through a strategic partnership with one of the market leaders within procure-to-pay software suites, Coupa, rendering KPMG the preferred implementation partner in the Nordics. We expect that cross-border KPMG collaboration and strategic partnership will bring a lot of exciting opportunities in the coming years.

Strengthening business through technology

Technology Enablement

At Technology Enablement, we work with business transformation through the implementation of technology. We implement enterprise applications such as ERP, CRM, BI and Advanced Analytics from a range of technology providers, mainly Microsoft and SAP.

We work with cloud transformation programmes, technology road maps, infrastructure architecture, IT strategies and technology road maps, either as part of enterprise application programmes or as a stand-alone service.

We acknowledge that a successful digital transformation requires strong engagement management and organisational acceptance. Through our People and Change agenda, we support change management processes as integrated elements of our technical engagements.

2016/17 was an intense and successful year for the Technology Enablement team in KPMG working in close collaboration as a trusted implementation partner with a range of clients to ignite the full potential of digital transformations.

Improving insights at Vejdirektoratets Trafikcenter

KPMG delivered a new Business Intelligence (BI) Platform at Vejdirektoratets Trafikcenter in 2016/17.

The solution will enable Vejdirektoratets Trafikcenter to access data and reporting in a more efficient way, supporting key reporting on strategic, tactical and operational levels.

The output is improved information insight including ad hoc and more advanced analysis, besides optimised KPI reporting on existing and new data. Beyond the technical capabilities, KPMG has supported with key support on communication, governance and organisational adoption of the solution.

Achieving operational excellence at a major pharmaceutical company

KPMG is assisting a large Danish-owned pharmaceutical company in achieving operational excellence and build the foundation for future growth. The company is undergoing a major transformation. The transformation includes globalisation of the organisation and roll-out of new global standardised business processes enabled by a new global SAP solution. KPMG is assisting SAP Transformation with maturing the programme management of the SAP project portfolio and improving the project approach to focus on SAP-enabled business transformation. The company has chosen KPMG as its strategic partner because of KPMG's unique combination of business transformation, process and SAP technology capabilities as well as our global reach and ability to support the company's SAP projects locally in the countries in which it is represented.

Being more customer centric at Rockwool

KPMG is assisting Rockwool designing, building and implementing a new CRM solution based on Microsoft Dynamics 365. Rockwool decided to implement a new global CRM solution for all operating companies. Rockwool and KPMG worked close together to map the future globally aligned processes across the complete business suite, involving business users from around the globe. The outcome is a value-driven solution focusing on "Being more customer centric", "Increase customer-facing time", "Being an enabler for Sales forces effectiveness" and "Organisational agility". The

solution will be rolled out to all operating companies in Europe, Asia and Americas during 2018.

Rockwool has chosen KPMG as its implementation partner due to our strong Dynamics CRM capabilities, deep business process knowledge and our well-proven and structured implementation framework.

“ We are proud to work in close collaboration with our clients as a trusted implementation partner. Continuous business transformation enabled by technology is essential in times of radical innovation and change. ”

Danny Golan,
Partner and Head of Technology Enablement

Igniting business value through IT at Scandinavian Tobacco Group

Producing and selling tobacco products is a highly competitive and legislatively restricted business, so Scandinavian Tobacco Group IT is undergoing a major transformation to optimise all lines of business from sales through manufacturing and finance to sustain and enhance profitable growth. KPMG has assisted Scandinavian Tobacco Group IT in defining an entirely new IT strategy, refocusing traditional operational strengths to even more emphasis on truly enabling business and empowering their employees through the use of advanced technology.

KPMG worked closely together in defining a vision, strategic objectives and a road map that aligned IT and business objectives towards a 2020-fulfilment. Scandinavian Tobacco Group chose KPMG to assist and facilitate the entire process based on our capabilities and trust, and Group IT Leadership committed fully to leading the process supported by Finance, Supply Chain and HR.

Increased market activity

KPMG expects increased market activity for cloud transformation and smart business applications in 2017/18. We expect that new technologies such as artificial intelligence, robotics and advanced analytics will become more integrated into traditional business applications such as enterprise resource planning (ERP) and customer relationship management (CRM), and we are proud to serve our clients with these technologies on their transformational path towards digitalisation.



“ KPMG has been instrumental in driving the strategic IT process as our trusted advisor. We appreciate the ability of KPMG to combine deep technical knowledge with business insight, moving Scandinavian Tobacco Group IT to being a true business enabler. ”

Oscar van Wezel,

Interim CIO, Scandinavian
Scandinavian Tobacco Group IT

Redefining Professional Tax Services

KPMG Acor Tax

KPMG Acor Tax has grown to become highly recognised and one of the major tax advisors in the Danish market, since our foundation in 2014. As companies classified as public interest entities (PIEs) are increasingly adapting to the EU Audit reform by managing their professional service providers, we see a larger flow of tax work between the major players in the market, which has increased the demand for our tax services.

Converting complex rules into operative solutions

We strive to convert complex rules into simple, operative solutions through a commercial understanding of the optimisation of tax matters. This approach resonates very well among our clients and in the market. Navigating in the tax world is becoming increasingly complex both in a Danish and international context and requires a close collaboration between all our KPMG service lines and the global KPMG network. This is what we call a client-centric 360-degree approach, providing our clients with holistic, accountable and sustainable tax advice both short term and in the long run.

Tax dispute resolution is one of the areas in which activity is increasing and for which we are foreseeing further growth. We assisted a number of clients resolving transfer pricing disputes following the tax authorities' implementation of BEPS initiatives in Denmark and abroad. Increased work related to the tax authorities' implementation of BEPS initiatives in Denmark and abroad has started to materialise. In this respect we have on the one side assisted a number of clients resolving transfer pricing disputes and on the other side more proactively assisted clients ensuring alignment between their tax model and operating models through value chain analyses (VCA). For both disputes and VCA, we are recognised for being market leaders. Merger & Acquisition (M&A) deal volumes are favourable and have resulted in considerable work for our cross-functional M&A team. In our Indirect Taxes practice, we have had great success with servicing the automotive industry and have become the industry's preferred provider of services.

One of the focus areas for our Global Mobility practice is to support our clients in not only handling individual assignments, but to design and implement flexible and compliant structures for their global workforce. This requires a client-centric 360-degree approach taking into account not only taxation of the employees, social security, immigration law, employer obligations and employment law – but also transfer pricing, permanent establishment and VAT as an integrated part of the services.

Strong Global Compliance Management Services practice

Global Compliance Management Services (GCMS) is a strategic focus area in KPMG globally and a rapidly growing business in Denmark as well. Our GCMS practice helps our clients transform and increase the efficiency and effectiveness of their tax and accounting functions through developing and executing a strategy for the management of compliance.

In 2016/17, we experienced a major win as an outsourcing partner for global compliance and reporting services being part of a larger finance transformation project. The engagement was a good example of our successful one-firm approach at KPMG involving Tax, Audit and Advisory. The engagement involves client entities in up to 40 countries and entails taking over direct tax reporting, tax accounting and statutory financial statements preparation and reporting for the client's entities.

Our clients' increasing focus on the outsourcing of compliance (e.g. statutory financial statements, corporate tax returns, VAT and other indirect tax filings) is expected to further contribute to our growth.



Embracing digital transformation in tax and accounting

Clients are embracing digital transformation of tax and accounting functions by implementing the right technology platforms to ensure that today's compliance is performed more efficiently and tomorrow's compliance can be met. Beyond compliance, clients are also employing technology tools that unlock insights from data needed to create value and reduce risk globally. Our dedicated team of tax technology professionals provides a broad range of data analysis and data gathering tools and has assisted many clients. One of the tools that we have introduced to the Danish market with success is KPMG's Tax Intelligence Solution (KPMG TIS). The tool is an integrated suite of tax data analytics technologies that enables organisations to find value and manage risks, facilitate extraction, process and analyse a range of tax data and provide dashboard to analyse key information. The solution is built on the certified Microsoft Azure cloud platform. This is also an area in which we are expecting high growth rates in the coming years.

The clear choice

At KPMG Acor Tax, we want to be the clear choice for our clients and our people through the benefit we bring and the results we achieve. We invest heavily in the relationship with our clients as we believe that open and honest communication is key to establishing mutual trust and that understanding the core business of our clients is essential.

Every year, International Tax Review (ITR) releases a comprehensive guide to the world's leading tax firms. KPMG Acor Tax is recognised as a Tier 1 tax service provider and one of the leading advisory firms in Denmark both as tax firm, transfer pricing firm and tax controversy firm. Feedback from our clients and their recognitions are some of the many indicators showing that we are on the right track. We look forward to reaching new heights on the journey ahead of us and shaping the future of tax consultancy together with our clients.

Exceptional talent requires exceptional development

Exceptional talent requires exceptional development

We recognise that our people are a vital part of our growth agenda and as such continue to strive to ensure that our development programme creates a learning environment where our exceptional colleagues can do exceptional things as part of a vibrant business.

Our training curriculum has grown extensively to ensure that we are truly developing exceptional leaders and consultants of the future. We now offer a wide range of courses ranging from high impact, core consultancy skills as well as offering an executive coaching service.

Collectively our staff spent close to 10,000 hours engaged in training activities – in the classroom, eLearning and externally. We receive incredibly positive feedback from our employees citing that they find our courses a useful investment in their career development and that their job performance is greatly enhanced as a result of participating in the training we offer.

Building digital capabilities

In an increasingly digitalised world it is imperative that our staff develop their digital and technical capabilities to enable them to truly provide client-centric solutions.

Over the past 12 months we have started to invest heavily in developing training programmes including Microsoft Power BI, ITIL and how to develop a virtual assistant.

Brand new graduate programme

In 2016/17, we saw a significant increase of our graduate intake from the previous year and launched a brand new two-year training graduate training programme titled Future Focus. Our graduates started their careers with an intensive two-week training programme run jointly with KPMG Norway in Lithuania. This gave them a great opportunity to start building an international network, as well as providing a thorough grounding including an introduction to what we do; technical training and an opportunity to begin developing core consultancy skills. The feedback from our graduates who started with us in August was that 85% rated the on-boarding experience as excellent.

The graduate programme is split over four semesters (each lasting six months) and was designed with the intention to give our graduates a thorough education in the fundamentals of what it takes to be successful in our business.

The response from both the business as well as our graduates has been overwhelmingly positive.

Working across the Nordics

This year saw a significant step forward in the Nordic firms working together to offer joint learning programmes. The advantage for our staff is that they have an opportunity to learn and network with their colleagues from other Nordic offices, whilst ensuring that they have a platform to build the foundations of a meaningful international network.

Valuing diversity

Diversity and equal opportunities are high on the leadership agenda in KPMG. We value diversity and provide equal opportunities to both genders regardless of background in recruitment and promotion processes, which is strongly recognised by our employees in our annual people survey.

As part of our values, we respect the individual and therefore do not tolerate harassment and discrimination. This is clearly reflected in our actions and communication to our employees. A diverse and inclusive workforce is critical to our success; it defines how we work and who we are. By fostering a welcoming environment for all people, we can leverage that diversity to deliver exceptional client services. Today, 39% of all our employees are women.

We aim to continuously improve our diversity targets in Management over the coming years to reach a gender balance ranging between 40-60% in Management levels below the Board of Directors (i.e. Leadership Team and other Leaders with direct reference to the CEO). Today, our top management level consists of eight people, of which five are men and three are women, corresponding to a total of 38% women. Our policies to increase this number include recruitment, retention, maternity programs, promotions and career plans etc. This work is headed by our Senior Partner supported by a dedicated group of women at all levels. We have set up KPIs to measure progress.

We currently have 39% female employees in the whole company, which is a small decrease from 40% in 2015/16. However, we are working on changing this throughout the company, including our Leadership Team through our maternity and paternity coaching programme, trainings and talent acquisition strategy. In large parts of our business, the number of women has increased, and we experienced a 38% increase in female graduates joining KPMG in 2016/17. We also favour diversity of cultures and an international environment, and we are therefore proud to count more than 15 different nationalities working at KPMG in Denmark.

“ The Future Focus graduate programme has totally confirmed that it was the right choice to start my career in KPMG.”

Casper Guldager,
Consultant, Advisory

Maternity and paternity coaching programme

In order to increase our attractiveness as an employer, we launched a maternity and paternity coaching programme to support women and men before, during and after the leave and ensure a smooth and seamless transition back to work. The programme has proved very popular, and we have received positive feedback from our employees.

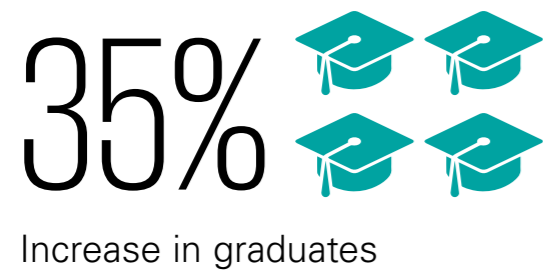
Our environmental impact

In regard to general CSR, no formal policies have been drawn up for impact on human rights, climate and environment. However, we are in the process of tracking our environmental impact, and we are confident that in the coming years, we will create a formal CSR policy to officially drive our efforts and demonstrate our strong commitment to protecting the environment and minimising our climate impact.

Talent acquisition

In 2016/17, we welcomed 219 employees to join us on our exciting journey of growth. In the coming years, we will continue to build on our employer branding efforts by further strengthening our Trusted Talents concept at our graduate branding events – both via social media and live events. During 2016/17 we were present at more than 25 events across the country, and we had visits at the office by various study groups.

As a new branding initiative, we have participated in live digital career fairs aimed at specific student target groups, and we expect to continue the initiative during the coming months. The coming year, we will introduce a new employer-branding concept for experienced professionals. This campaign will run on various social media and, in particular, our LinkedIn presence will be optimised by focusing on our skilled experienced employees via video and testimonials. Our presence in various media will increase as we continue to grow and introduce KPMG in Denmark on new media channels. Our strong efforts have already paid off, and this year we saw an increase of 196% in the number of applicants for our graduate programme as a direct result of these efforts.



“ Maternity coaching made me feel more confident on my return to work from maternity leave and enabled me to make sense of things that were worrying me. The maternity coaching programme provided invaluable support and helped me make a positive and smooth transition back to work.”

Lisbeth Fagernæs,
Senior Consultant, Advisory

“ Besides working with fun colleagues and having a lot of responsibilities in my junior position, I can dedicate some of my working time to working on CSR projects that are close to my heart. ”

Cecilia Cosnard des Closets,
Communications Consultant, Markets

“ I like being part of a workplace where my work is acknowledged, and knowing that my expertise is making a difference for our clients. KPMG continuously supports my personal development enabling me to reach my goals. ”

Sofie Buus,
Director, Deal Advisory, M&A



“ I get to implement the newest and most cutting-edge technologies utilising robotics, artificial intelligence and machine learning. At KPMG, we are creating the digital future instead of just talking about it. ”

Tim Boegh Morthorst,
Senior Consultant, Advisory

“ At KPMG, I work with interesting clients, while being surrounded by passionate people that strive to make a positive difference. ”

Henrik Kyhnaav,
Director, Audit

“ I work with diverse and talented colleagues – I really feel that our skills complement each other and that we achieve a lot together. ”

Jenny Lam,
Assistant Manager, Audit



We want to empower our communities

At KPMG, both in Denmark and globally, we are deeply committed to making a positive impact in society and the environment through the work we do. We strive to act as stewards for the next generation, inspiring confidence and empowering positive change in our local communities.

In 2017, we did this by strengthening our partnerships with NGOs like Plastic Change and Mind Your Own Business. Our employees have engaged as volunteers and mentors, leveraging their business skills to empower and inspire young people to build their own businesses and support the efforts to minimise pollution. In addition, we donate to Save the Children, participate in the yearly clothes donation to Red Cross and encourage our employees to donate blood during working hours four times a year. Furthermore, we are proud to serve NGOs such as Unicef, Dyrenes Beskyttelse and Gigtforeningen.

Keeping plastic out of the Baltic Sea

In 2017, we marked a significant progress in our partnership with Plastic Change. We have successfully initiated our first project together called "Plastic-Free Baltic Sea", where a team of dedicated KPMG employees worked with Plastic Change to help them build a strategy on how to minimise the plastic pollution in the Baltic Sea. The collaboration is also an excellent example of our one-firm approach, as we managed to engage all KPMG firms in the Baltic region by reaching out proactively. We shared insights into the sources of plastic pollution and key stakeholders contributed to solving the problem from the individual countries.

We are eager to continue our partnership with Plastic Change in 2018 and pursue additional opportunities to work together, which can further strengthen our focus and knowledge on environmental preservation and protection.

“ Plastic Change highly appreciates and values the partnership we have established with KPMG in Denmark. Our partnership approach to creating impact and solutions to plastic pollution has been supported tremendously by the expert knowledge, network and infrastructure of KPMG. We look forward to continuing our work together in the future. ”

Henrik Beha Pedersen,
CEO Plastic Change



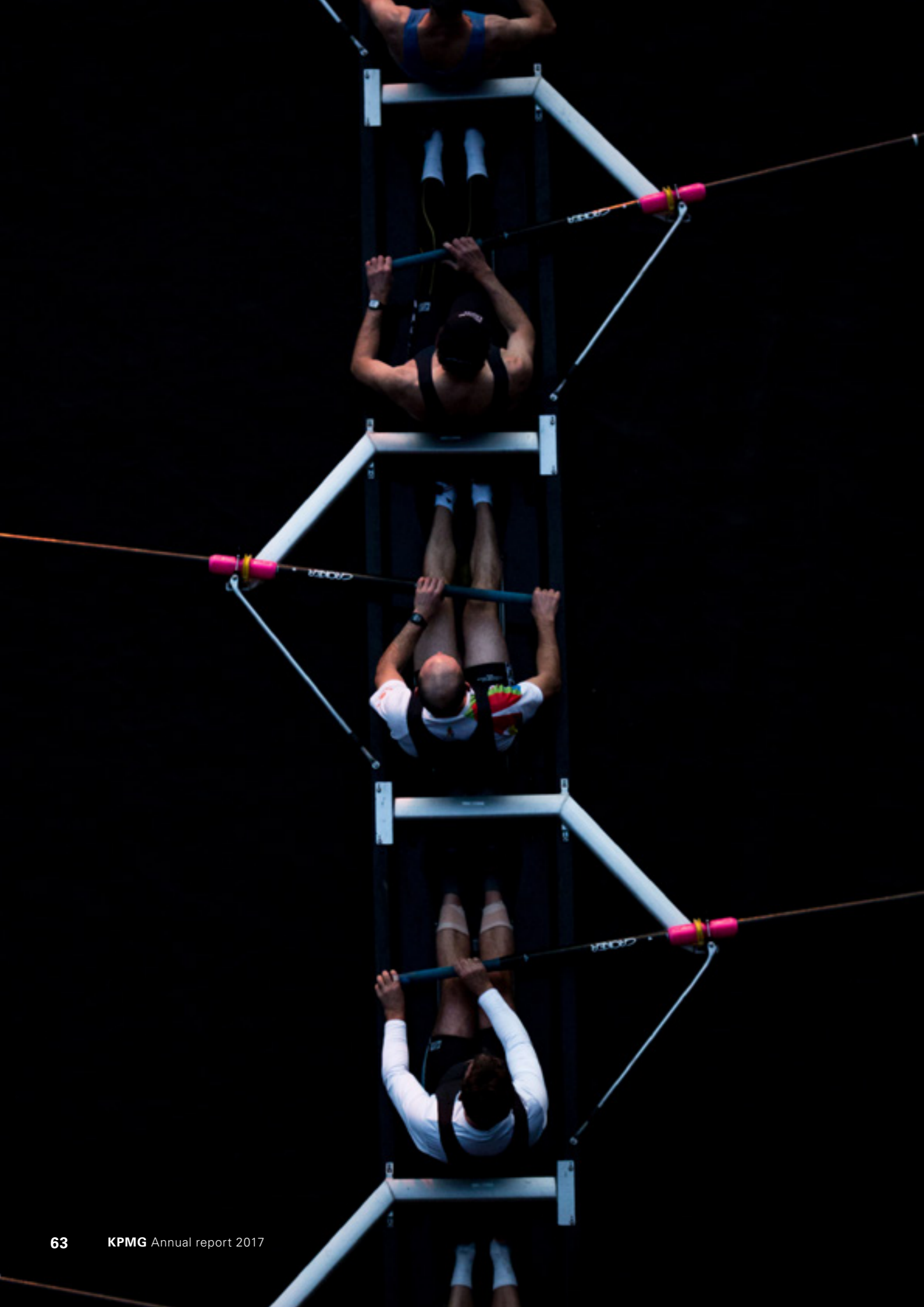
Empowering and mentoring young entrepreneurs

The Mind Your Own Business (MYOB) Academy allows teenagers from exposed areas a chance to build their own micro companies with support from mentors. KPMG helped establish this programme last year and is now the key corporate partner of the second season of the programme. KPMG volunteers are assigned to a specific micro company for a seven-month period that helps the company grow through mentoring and workshops. These include a full-day goal-setting session for all micro companies hosted by KPMG and subsequent workshops tailored to each micro company's specific needs. The programme also allows for mentoring on other aspects of life than those just relating to the micro companies.

“ KPMG is a very appreciated and fantastic partner that supports learning by doing and ensures the boys’ upgrading in relation to further development of their micro enterprises. By meeting the boys at eye level, the skilled consultants convey high professional knowledge and equip the boys with specific professional tools that they can use directly in the work with their micro enterprises. ”

Maria Kavita Nielsen

CEO, Mind Your Own Business.



Our KPMG Values

Our values create a sense of shared identity. They define what we stand for and how we do things. Our values help us work together in the most effective and fulfilling way and bring us closer as an organisation.



We lead by example.



We work together.



We respect the individual.



We seek the facts and provide insight.



We are open and honest.



We improve communities.



Above all, we act with integrity.

Statement by the Board of Directors and the Executive Board



The Board of Directors and the Executive Board have today discussed and approved the annual report of KPMG P/S for the financial year 1 October 2016 – 30 September 2017.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2017 and of the results of the Company's operations and cash flows for the financial year

In our opinion, the Management's review gives a

fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 9 January 2018

Executive Board:

Thomas Hofman-Bang
CEO and Senior Partner

Board of Directors:

Anette Harritz
Chairman and Partner

Anja Bjørnholt Lüthcke
Partner

David Olafsson
Partner

Bo Johansen
Partner

Danny Golan
Partner

Independent auditor's report

To the shareholders of KPMG P/S
Independent auditor's report
on the financial statements

Opinion

We have audited the financial statements of KPMG P/S for the financial year 1 October 2016 – 30 September 2017, comprising income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2017 and of the results of the Company's operations and cash flows for the financial year 1 October 2016 – 30 September 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements" of our report. We are independent of the Company in accordance with International Ethics Standard Board for Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and Management is also responsible for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or errors. In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as relevant, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes an opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also

— Identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from a fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

— Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

— Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any kind of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatement of the Management's review.

Copenhagen, 9 January 2018

Redmark

Statsautoriseret Revisionspartnerselskab
CVR no. 29442789



Anders Schelde-Møllerup Funder
State Authorised Public Accountant

MNE-nr. 30220

Financial statements

KPMG P/S

1 October 2016 – 30 September 2017

Income statement

DKK'000	Note	2016/17	2015/16
Revenue	2	424,003	368,832
Other operating income		71,448	111,643
Other external expenses	4	-161,617	-151,458
Staff costs	3	-330,573	-304,557
Depreciation, amortisation and impairment losses on software, equipment and leasehold improvements	5	-4,254	-25,219
Operating profit/loss		-993	-759
Financial income	6	1,487	956
Financial expenses	7	-494	-197
Profit for the year	8	0	0

Balance sheet

DKK'000	Note	2016/17	2015/16
Assets			
Non-current assets			
Software	5	940	692
Equipment and leasehold improvements	5	5,254	7,019
Deposits	9	12,632	12,416
Total non-current assets		18,826	20,127
Current assets			
Receivables			
Trade receivables		111,793	82,488
Receivables from related companies		122	112
Services in progress	10	24,978	15,260
Other receivables		71,652	111,727
Prepayments	11	3,033	2,502
		211,578	212,089
Cash at bank		8,622	25,487
Total current assets		220,200	237,576
Total assets		239,026	257,703

Balance sheet

DKK'000	Note	2016/17	2015/16
Equity and liabilities			
Equity			
Share capital	12	560	560
Retained earnings		0	0
Total equity		560	560
Current liabilities			
Services in progress	10	36,907	22,536
Trade payables		19,114	15,953
Other payables		168,245	203,900
Debt to partners		14,200	14,754
Total current liabilities		238,466	257,143
Total equity and liabilities		239,026	257,703
Contractual obligations, contingencies, etc.	13		
Related party disclosures	14		
Disclosure of events after the balance sheet date	15		

Statement of changes in equity

DKK'000	Note	Share capital	Retained earnings	Total
Equity at 1 October 2015		560	0	560
Equity at 30 September 2016		560	0	560
Equity of 1 October 2016				
Transferred; see profit appropriation	8	0	0	0
Equity at 30 September 2017		560	0	560

Cash flow statements

DKK'000	Note	2016/17	2015/16
Profit for the year		0	0
Depreciation, amortisation and impairment losses		4,254	25,219
Changes in working capital	16	-17,517	17,458
Cash flow from operating activities		-13,263	42,677
Acquisition of software		-685	-912
Acquisition of equipment and leasehold improvements		-2,052	-13,964
Deposits (net change)		-216	886
Cash flow from investing activities		-2,953	-13,990
External financing:			
Net change in financing		-14,849	-20,368
Shareholders:			
Share capital cash increase		0	0
Partner financing		14,200	14,754
Cash flow from financing activities		-649	-5,614
Cash flow for the year		-16,865	23,073
Cash and cash equivalents at the beginning of the year		25,487	2,414
Cash and cash equivalents at year end		8,622	25,487

Notes

1. Accounting policies

The annual report of KPMG P/S for 2016/17 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015.

This has entailed the following changes to recognition and measurement:

- Going forward, the residual value of intangible assets and property, plant and equipment must be reassessed on an ongoing basis. Pursuant to the transition provisions of the Act, any adjustments to residual values must be made prospectively as an accounting estimate without restatement of comparative figures and without effect on equity.

The changes have no monetary effect on the income statement or the balance sheet for 2017 or for the comparative figures.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement as provided. Consequently, revenue corresponds to the selling price excluding VAT of the work performed under the percentage of completion method and includes outlays on clients. Measurement at selling price presupposes that total income and costs as well as the stage of completion at the balance sheet date can be determined reliably and that it is probable that payment will be received.

Other operating income

Other operating income includes grants provided by KPMG International.

Other external expenses

Other external expenses comprise costs related to sales, marketing, administration, office premises, training, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees and partners, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies.

Tax on profit/loss for the year

As a limited liability partnership, the Company is transparent for tax purposes. Income taxes are liable to the partners of the Company. Consequently, no tax on the profit for the year has been provided for in the financial statements.

Balance sheet

Software

Software is measured at cost less accumulated amortisation and impairment losses. Software is amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually three years.

Gains and losses on the disposal of software are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Equipment and leasehold improvements

Equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

The depreciable amount, which is calculated as cost less any estimated residual values at the end of the useful life, is depreciated on a straight-line basis over the estimated useful life. The estimated useful as follows:

Equipment and leasehold improvements	3-10 years
--------------------------------------	------------

Gains and losses on the disposal of equipment and leasehold improvements are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

The carrying amount of equipment and leasehold improvements is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flow from the use of the asset or the group of assets, including forecast net cash flow from the disposal of the asset or group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses when there is an objective indication that a receivable has been impaired. Write-down is made on an individual basis.

Services in progress

Services in progress are measured in accordance with the percentage of completion method to the selling price of the work performed at the balance sheet date plus out-of-pocket expenses less progress billings. The individual services in progress are recognised in the balance sheet as receivables or liabilities depending on whether the net value, determined as the selling price less progress billings, is positive or negative.

Prepayments

Prepayments comprise prepayments of costs relating to subsequent financial years.

Equity

Dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

The Company is transparent for tax purposes. Consequently, neither current tax nor deferred tax is included in the balance sheet.

Financial and other liabilities

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Cash flow statements

The cash flow statement shows the Company's cash flow from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from investing activities

Cash flow from investing activities comprise payments in connection with acquisitions and disposals of intangible assets, equipment and leasehold improvements and investments.

Cash flow from financing activities

Cash flow from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as payment of dividends to shareholders and raising and repayment of interest-bearing debt.

Cash and cash equivalents

Cash and cash equivalents comprise bank deposits.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Ratios".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Operating margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Return on equity	$\frac{\text{Profit/loss from ordinary activities} \times 100}{\text{Average equity}}$

2. Segment information

DKK'000	2016/17	2015/16
Revenue arises from audit and advisory services, mainly delivered in Denmark		
Audit	165,427	154,998
Advisory	258,576	213,834
	424,003	368,832

3. Staff costs

DKK'000	2016/17	2015/16
Wages, salaries and partner remuneration	310,289	286,252
Pensions	17,996	15,946
Other social security costs	2,288	2,359
	330,573	304,557
Average number of employees, including partners	372	328

The members of the Board of Directors do not receive remuneration for provision of board-related services. Pursuant to the exemption clause for reporting class C entities under section 98b(3) of the Danish Financial Statements Act, the Company has chosen to omit disclosure of executive remuneration as it would lead to disclosing remuneration to a single member of Management.

4. Fees to auditor appointed at the general meeting

DKK'000	2016/17	2015/16
Statutory audit	140	135
Tax/VAT advisory services	430	453
Other	33	32
Total fees to Redmark	603	620

5. Equipment and leasehold improvements

DKK'000	Software	Equipment and leasehold
Cost at 1 October 2016	912	34,683
Additions	685	2,052
Cost at 30 September 2017	1,597	36,735
Depreciation and impairment losses at 1 October 2016	-220	-27,664
Impairment losses	0	0
Depreciation	-437	-3,817
Depreciation and impairment losses at 30 September 2017	-657	-31,481
Carrying amount at 30 September 2017	940	5,254

6. Financial income

DKK'000	2016/17	2015/16
Net foreign exchange gains	1,487	956
	1,487	956

7. Financial expenses

DKK'000	2016/17	2015/16
Interest expense to banks, etc.	494	197
Net foreign exchange losses	0	0
	494	197

8. Proposed profit appropriation

DKK'000	2016/17	2015/16
Retained earnings	0	0
Net foreign exchange losses	0	0

9. Deposits

DKK'000	Deposits
Cost at 1 October 2016	12,416
Additions	216
Repayments	0
Cost at 30 September 2017	12,632
Carrying amount at 30 September 2017	12,632

10. Services in progress

DKK'000	2016/17	2015/16
Selling price of work performed	238,267	224,857
Progress billings	-250,196	-232,133
	-11,929	-7,276
Recognised as follows:		
Contract work in progress (assets)	24,978	15,260
Contract work in progress (liabilities)	-36,907	-22,536
	-11,929	-7,276

11. Prepayments

Prepayments consist of prepaid expenses concerning IT licences, parking, house rent, etc.

12. Share capital

Changes in share capital since the Company's establishment are specified as follows:

DKK'000	2016/17	2015/16	2015 9 months	2013/14 13 months
Balance at 1 October	560	560	500	500
Cash capital increase at par	0	0	60	0
	560	560	560	500
The share capital is specified as follows:				
A shares, 3,165.24 of nom. DKK 100 each	317			
B shares, 2,434.80 of nom. DKK 100 each	243			
	560			

All shares rank equally; however, A shares that are owned by state-authorised public accountants only have a deemed majority.

13. Contractual obligations, contingencies, etc.

Operating lease obligations

Remaining operating lease obligations at the balance sheet date amount to DKK 52,017 thousand within five years (2015/16: DKK 65,469 thousand). In 2017/18, operating lease obligations falling due amount to DKK 17,348 thousand (2015/16: DKK 17,620 thousand).

Contracted sub-lease income amounts to DKK 1,636 thousand, which falls due within two years (2015/16: DKK 3,175 thousand).

A company charge of DKK 20 million has been granted to the Company's bank. At the end of the year, the bank facility is unused

14. Related-party disclosures

KPMG P/S' related parties comprise the following:

Information on controlling parties

KPMG P/S is owned by the partners. No parties exercise control.

Other related parties:

- Leadership team and Board of Directors
- KPMG Komplementarselskab ApS
- KPMG member firms including KPMG Acor Tax Partnerselskab.

Related-party transactions

The Company has chosen only to disclose transactions that are not carried out on an arm's length basis in accordance with section 98c(7) of the Danish Financial Statements Act. There are no such transactions.

15. Disclosure of events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

16. Changes in working capital

DKK'000	2016/17	2015/16
Change in receivables	15,360	50,077
Change in trade and other payables	-32,877	-32,619
	-17,517	17,458

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