

Annual Report 2018/19

Building trust and confidence in a transformative age

ey.com/dk

CVR-nr. 30 70 02 28

Ernst & Young P/S | Osvald Helmuths Vej 4 | 2000 Frederiksberg



Building a better
working world

Contents

- 4 **Building trust and confidence in a transformative age**
CEO letter from Torben Bender
- 9 Assurance
- 11 Advisory
- 13 Tax & Law
- 15 Transaction Advisory Services
- 17 Continued growth globally and regionally
- 19 **Sustainability – an integrated part
of our business model**
- 20 Markets
- 23 People
- 29 Communities
- 34 **Financial highlights, group**
- 36 **Financial performance and operating review**
- 38 **EY's executive board and management team**
- 39 **Company details**
- 40 **Statement by Management**
- 42 **Independent auditor's report**
- 46 **Consolidated financial statements and parent
company financial statements**
- 53 **Notes**

The Annual Report 2018/2019 is EY in Denmark's statutory statement, including the Danish Financial Statements Act §99a and §99b.



Perceivedokumentnøgle: VCBAT-JTD:8T-IQY4Z33KDC-02HWT-SV314



Panneo dokumentnøgle: VCBA1119311014Z-Z3KDC-02HWT-SV314

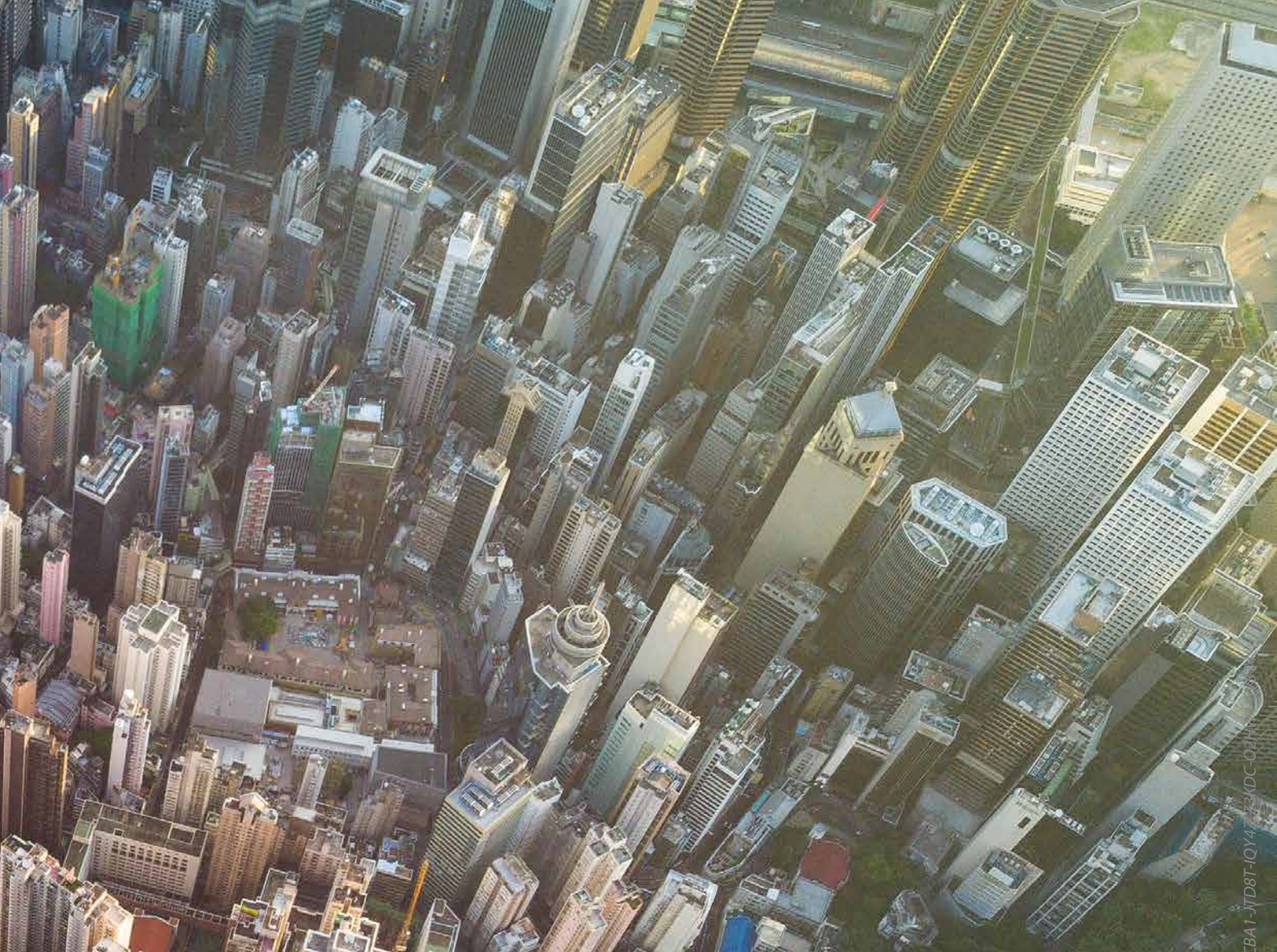
Building trust and confidence in a transformative age

CEO letter from Torben Bender



EY helps a broad segment of Danish companies and the public sector by building trust and confidence in financial reporting, understand and comply with tax legislation, carry out acquisitions and divestments and meet the changes and challenges that they face in relation to digital transformation, cybersecurity, data analytics, automation, etc. An efficient and successful corporate sector is crucial to our business and our society. That is what our purpose is about: Building a better working world. EY is a competent and trust-worthy partner for companies, organisations and the public sector in need of value-creating advisory and audit services.

In these uncertain and complex times where the corporate sector has to balance growth expectations with the risk of recession and where trade wars, Brexit and increased regulation cast shadows, there are many areas where EY can help. The corporate sector has in many ways become accustomed to volatile markets but in recent years with underlying financial growth. The outlook for the Danish economy now includes the risk of global recession or downturn in the Euro area, which Danish companies would need to manage and to act upon.



Growth in all business areas

In the 2018/19 financial year (FY19), EY's revenue totalled DKK 1,952 million, corresponding to an increase of 6.6% compared to last year where revenue increased by 2.2%. Overall, the development is satisfactory. All business areas report growth – some exceed expectations, whereas others report modest growth in a competitive market. We are well prepared for competition going forward, particularly due to EY's strong Nordic and global integration, which we combine with a strong Danish market focus.

Assurance is stable: +0.1%.

Revenue totalled DKK 954 million

The audit market is a stable market. EY has a strong position among the largest companies as well as among small and medium-sized companies. It has been a year without much rotation among the largest companies. In the coming years, we have a number of clients that are required to rotate from EY, and at the same time, we are taking all measures possible to become the preferred service provider for other companies that are required to change their current auditor.

Other parts of the market do not have the same rotation requirements and also offers an attractive market for advisory and other non-audit services. We have a strong portfolio of growth businesses, and we have built knowledge and insight that benefit our clients. The work and energy we put into EY Entrepreneur Of The Year have given us an extensive network of Danish business owners and other innovative entities in the Danish business community.

Advisory on the right track: +3.7%.

Revenue totalled DKK 249 million

Advisory, which covers a broad range of advisory and consulting services, reported reasonable growth this year. It is also a competitive market, but a growth market.

Market demand is driven by the digital transformation, which also impacts every part of our clients' businesses. We help our clients with the digital transformation – our expertise in technological, strategic, organisational, legal and financial matters is our strength. In FY19, we changed our internal organisation and market approach, and we focus on strengthening our competencies to gain further market shares in the coming years.

**Tax & Law reports sound growth: +5.5%.
Revenue totalled DKK 458 million**

EY has one of the Denmark's strongest tax practices with the potential for further growth. Companies increasingly need to ensure compliance and identify risks, in particular in respect of cross-border tax issues and dialogue with authorities in many different countries. Because of international measures such as the EU Directive on the Mandatory Disclosure Regime, focus on tax matters has grown, and this means that companies and businesses require additional tax advisory services.

We have taken on some very experienced experts during the year. Based on this, sound growth was reported this year, and the business unit has a strong position for the coming years.

On 21 October 2019, Jan Huusmann joined EY as the new Head of Tax & Law in Denmark. Jan Huusmann is one of the leading profiles in the market with solid leadership experience and a strong market focus to further strengthen EY's position within Tax & Law in Denmark.

**Transaction Advisory Services (TAS) reported
substantial growth: +42.2%.
Revenue totalled DKK 291 million**

We expected growth, but expectations were surpassed by a significant double-digit growth rate in the transaction area. It has been a strong year. Not only has the level of activities remained high, but we have also won a larger share of the market.

TAS assists our clients with all aspects of M&A, including corporate finance, strategy, operations and in areas such as valuations and due diligence. We also have teams that focus on IT or legal matters in relation to transactions, etc.

We have not yet noted any market slowdown, but within certain segments, we see some uncertainty. In FY20, we will still see companies that seek growth through acquisitions or that focus on their core business through restructuring or divestment. Therefore, we expect to report growth again next year.

Growth is first and foremost about people

There are many prerequisites for running a successful professional services firm. In FY19, we strengthened parts of our organisation with new talent and took proactive steps towards the future. As per 1 July 2018, EY appointed a new CEO to focus on our clear long-term growth ambition.

In FY19, EY Denmark also took a step forward with regard to employee engagement, and the *Engagement Index* reached 78%, which is one percentage point up on last year and three percentage points up on what is defined as *Best In Class* (for comparable companies) in the Nordic countries. It is important for EY to be a workplace where skilled employees thrive and have the opportunity to develop and are given challenging tasks. To achieve this, we have a strong focus on building resilience and supporting our people and leaders in achieving greater balance between career and private life while minimizing stressful working situations.

We recruit from a broader circle today than we did previously, for example, focusing on STEM (Science, Technology, Engineering and Math). At partner level, we also see a higher level of mobility within our sector than before. This is a condition of the market today, and we have partners joining and leaving EY. Overall, we are approximately the same number of partners at the end of FY19, due to retirement, etc., and we maintain a stable number of employees.

In FY19, EY launched a programme called Volunteering at Work, which allows our employees to do voluntary work during working hours and to use their skills to make a difference within education and entrepreneurship. We look forward to expanding this programme in FY20.

New EY domicile

At the end of November 2019, EY Denmark will move to a new head office in Frederiksberg just across from the current domicile close to Flintholm Station. EY is heading for the future, and our focus is on technology, sustainability and design.



Torben Bender
CEO for EY in Denmark

“

We fulfil our purpose of Building a Better Working World through the results we achieve with our clients.

Torben Bender, CEO for EY in Denmark.



Penneo dokumentnøgle: VCBA.1-JTD8T-1QY47-Z3KDC-02HWI-SV314



Panneo dokumentnøgle: VCBA13TD8T-10Y42-23JDC-02HW1-SV314

“

Digitalisation, data analytics and robotics create change, but the purpose of an audit is as always to create confidence and stability based on professional scepticism, independence and sound judgement. We are here to continuously deliver high-quality audits.

Jan C. Olsen | Head of Assurance

Assurance

We provide audit and accounting services for many of Denmark's largest listed companies, global corporations and public entities. EY is one of the largest players in the market and we audit 29% of Denmark's top 100 companies. Our comprehensive client portfolio also includes several thousand small and medium sized companies, which we serve across the country from our 16 offices.

We take pride in serving our clients from early stages as start-up to scaling up the company, whether it is helping them enter new global markets, go public or acquire new competencies and subsidiaries to develop their business. We also connect with startups as well as larger high growth companies through the EY Entrepreneur Of The Year program (see more on page 30) in our efforts to celebrate entrepreneurship, family businesses and growth creation.

EY professionals help clients comply with the requisite audit standards and provide a robust and clear perspective to audit committees and critical information to stakeholders.

Through high-quality audits, we help enhance trust and confidence in the capital markets and facilitate economic growth. In the last couple of years, we have deployed new world-class technological tools that improve the quality and value of EY audits. While our digital audit improves audit quality, our tools also enable our audit professionals to offer an analytics-driven audit to bring a new level of insight and perspective to the audit and, in turn, to a company's business operations.

We continue to onboard and develop new competencies that are required as the auditor's traditional role is changing due to fast development of technology, data analytics, digitalization, robotics and artificial intelligence. At the same time, we ensure our people are also certified to audit other information than financials, i.e. sustainability and quality.

Through our Financial Accounting Advisory Services teams, we continue to help finance leaders interpret, communicate and shape the strategy around the numbers they report. And with EY Climate Change and Sustainability Services, we measure value beyond what is captured in the financial statements. Our Forensic & Integrity Services help organisations prepare and respond rapidly to instances of alleged fraud, bribery and other misconduct and assist in investigating facts, resolve disputes and manage regulatory challenges.

Sub-service lines in Assurance

Accounting Compliance & Reporting

Climate Change & Sustainability Services

Financial Accounting Advisory Services

Financial Statement Audit

Fraud Investigation & Dispute Services



DKK 954m revenue

0.1% growth

867 employees



Panneo dokumentnøgle: VCBAT-37787-1QY4Z-2KDC-02HWT-5V314

“

For Danish and international businesses, current change and development are very much technology driven and do not only impact one particular area of the consulting industry. The ongoing digital transformation concerns all parts of our clients' businesses.

Rene Ravn | Head of Advisory

Advisory

In Advisory, we are a diverse team of consultants and industry professionals with a global mindset and a collaborative culture. We understand our clients' issues and are driven to ask better questions in the pursuit of making their businesses work better.

We work with large companies and government institutions on their most pressing management and operational challenges. We are developing our advisory services to proactively meet the needs of our clients, and we help them protect their business, improve performance and support change.

We operate in a fast-growing market with large regional and local players where clients demand services that are increasingly more digital and technology driven.

Over the past few years, we have made good progress in building our Technology, Cyber and Analytics capabilities, which are among our key growth drivers. We have secured winning engagements locally and across Europe, and we continue our work to take full advantage of the market opportunities.

In 2019, we launched our European Growth Platform that connects our Technology, Cyber and Analytics teams across regions in Europe, offering us a unique opportunity to become market leaders in digital and business transformation. At the same time, the platform will allow us to better leverage our strong global alliances with partners.

We have also invested in key strategic hires and acquired new talent, insights and capabilities in areas like advanced analytics, cyber and technology, including cloud and emerging tech.

Sub-service lines in Advisory

Performance Improvement

Risk

Technology

Cyber

People Advisory Services



DKK 249m revenue
3.7% growth
175 employees



Panneo dokumentnøgle: VCBAT-3TD8T-10Y4Z-Z3KDC-02HWT-SV314

“

We help our clients understand complex regulation and handle risk. Our clients are looking for better integrated, technology-based solutions to the challenges of their tax operations. And they want to keep pace with a complex and changing tax landscape.

Jan Huusmann | Head of Tax & Law

Tax & Law

From some of the largest Danish companies and multinationals to medium-sized entities and organisations to privately owned businesses, we help clients understand and manage their tax compliance and reporting obligations responsibly and proactively. EY has one of Denmark's strongest tax practices with competencies in business tax, international tax, transaction tax and tax-related issues associated with people, compliance and reporting. We advise our clients on resolving uncertain tax positions, and we help them assess, improve and monitor their tax functions' processes, controls and risk management. We also maintain effective relationships with the tax authorities and foster open dialogue with tax administrators, government officials and other stakeholders about tax issues, the impact of policy decisions and the contributions that companies and individuals make to society by paying the correct amount of a variety of taxes. International measures such as the EU directive on the Mandatory Tax Regime also turn a greater focus to the tax arena.

Through EY Law, we provide clients with the detailed guidance they need to navigate the increasingly complex legal environment of the global economy. Our legal professionals draw on their diverse perspectives and skills to give our clients a seamless service through all the challenges of law, whilst ensuring a single point of contact for all our clients' questions.

Sub-service lines in Tax & Law

Business Tax Services

International Tax Services

Indirect Tax

Law

People Advisory Services

Transaction Tax

Global Compliance & Reporting

EY Net Source



DKK 458m revenue

5.5% growth

352 employees



Panneo dokumentnøgle: VCBAT-JTD8T-IQY4Z-Z3KDC-O2HWI-SV314

“

For several years, we have seen a very high level of activity in mergers and acquisitions (M&A), and we continue to see strong deal performance. M&A is high on the strategic agenda. Companies seek new growth potential and also want to adapt and streamline the business.

Søren P. Krejler | Head of Transaction Advisory Services

Transaction Advisory Services

Whether companies are looking to expand into new markets, seize the next M&A opportunity or realise their growth ambitions by better managing their capital, EY can help them.

Among our clients are fast-growing businesses and private equity firms, and we work to help them make better and more informed decisions about how they can strategically manage capital and transactions in a changing world. Our aim is to help businesses drive competitive advantage by proactively managing their capital agenda, which determines how they strategically raise, invest, preserve and optimise their capital.

In Transaction Advisory Services (TAS), our professionals are using the EY Capital Agenda framework to help companies drive inclusive growth. We do that by focusing on capital and transaction strategies through execution to drive fast-track value creation. In a rapidly changing, increasingly digital and disrupted business environment, TAS supports the flow of capital across borders, helps bring new products and innovation to market and helps organisations reshape themselves for a better future.

In spite of rising geopolitical and regulatory concerns, indications show that the overall appetite for deal-making will continue to be strong throughout 2019, and we have gained a larger share of the market.

This past year, we strengthened our teams even further bringing more experience, skills and insights on board to meet the increasing demand from clients.

TAS services

Strategy

Corporate Finance

Buy and integrate

Sell and separate

Reshaping results



DKK 291m

42.2% growth

106 employees

2019



Continued growth globally and regionally

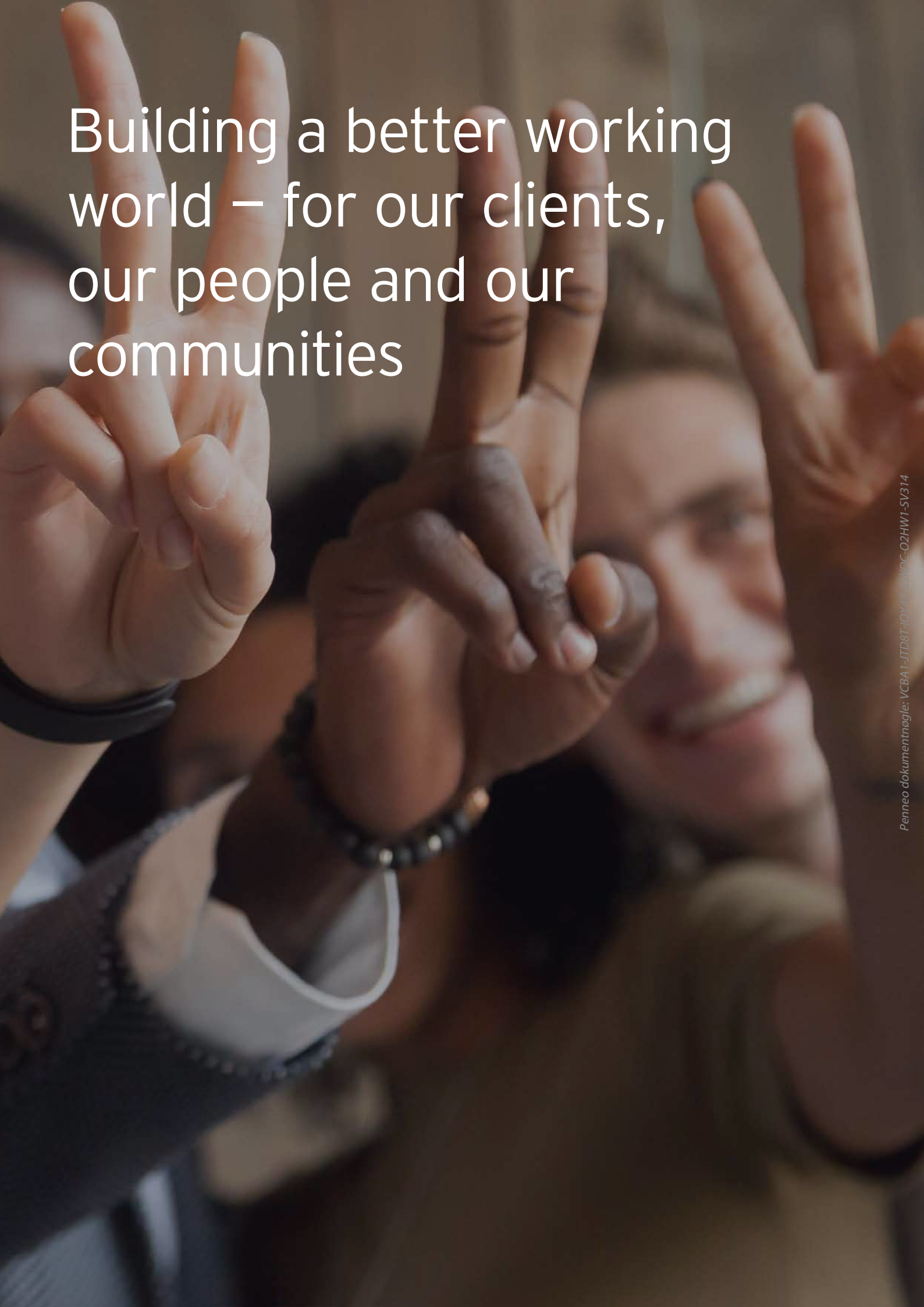
EY delivers strong revenue growth in FY19 globally across all service lines, geographies and key industries, and this marks nine consecutive years of strong growth. In FY19, revenues grew by 8.0%, and headcounts increased by 8.6% to more than 284,000 people globally.

The strong integration of EY both globally and regionally in the Nordics is a significant strength that truly matches our clients' approach and needs. We are able to mobilise strong

teams anywhere who apply unified methodologies and who draw on experience and in-depth knowledge, which we combine with local presence, insight and execution.

In the Nordic region combined, EY reached a 3.7% growth rate in FY19, and we are 7,000 employees in EY in the Nordics

EY in Denmark	EY in the Nordics	EY globally
DKKm 1,952 revenue	DKKm 8,300 revenue	US\$b 36.4 revenue
6.6% growth	3.7% growth	8.0% growth
1,700 people	7,000 people	280,000 people
17 offices	130 offices	150+ countries

A close-up, slightly blurred photograph of a diverse group of people. In the foreground, several hands are raised, with fingers spread, suggesting a gesture of agreement, participation, or voting. The people are of various ethnicities and ages. The background is out of focus, showing more people in a similar setting. The overall tone is positive and collaborative.

Building a better working
world – for our clients,
our people and our
communities

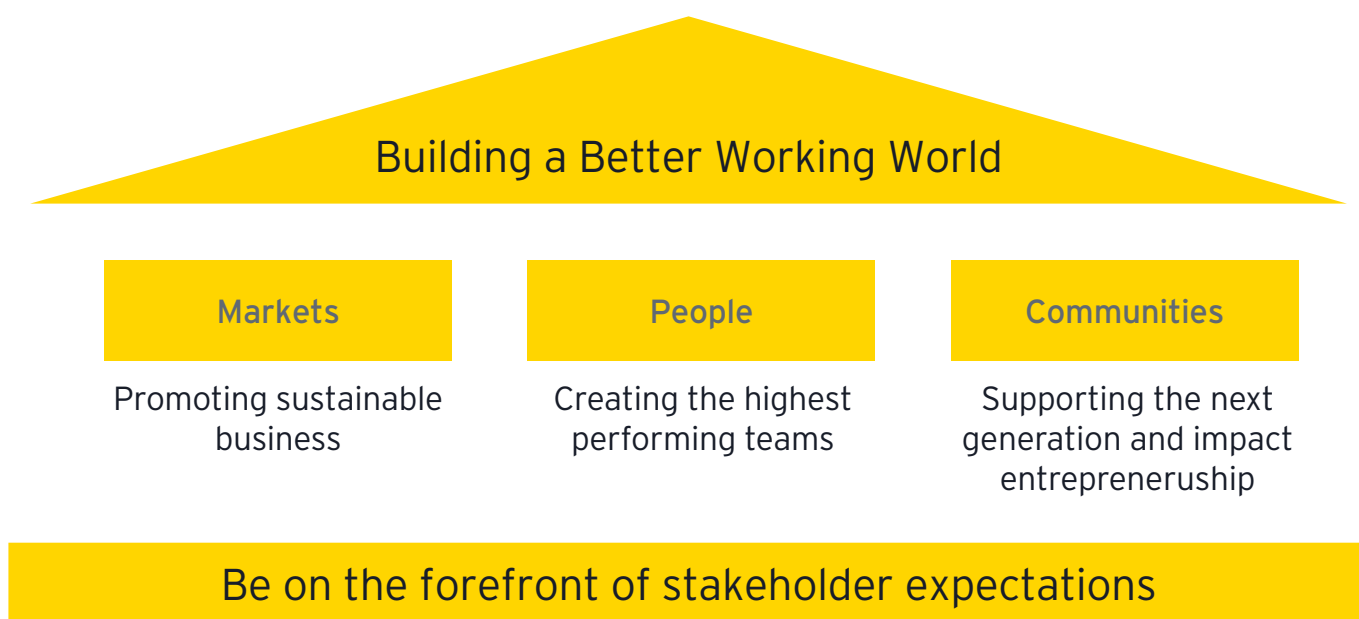
Sustainability – an integrated part of our business model

Building a better working world is EY's purpose and the foundation for our business model, ensuring we remain on the forefront of stakeholder expectations. We strongly believe that by building confidence in the capital markets, helping our clients tackle their toughest issues, running our business according to our values and offering our people exceptional opportunities, we go a long way toward fulfilling that purpose. This forms the core of who we are and what we do every day.

Building a better working world also reflects how sustainability is an integrated part of our business and our purpose, and frames how we report on sustainability.

We serve a number of different stakeholders who count on us to deliver quality and excellence in everything we do. We are committed to promoting sustainable business and acting responsibly in relation to our employees, clients and communities. We recognise our social and environmental responsibility and want to help address issues in our society and demonstrate that business is an important part of the solution.

This commitment is deeply rooted in our employees' engagement and everyday actions to bring EY's purpose to life and we want to deliver true impact in terms of building a better working world through these three pillars:





Markets

People

Communities

Driving sustainable growth

As one of the world's leading professional services firms, we make strict demands on quality and integrity, and we focus on being compliant with regulation as well as our own high standards. The confidence in EY of the market, our people and our communities is essential to our work, reputation and growth.

We believe professional services play a vital role in increasing trust and confidence in society. Recognizing that many of today's biggest business opportunities lie in addressing society's biggest challenges, this includes helping clients to use sustainability as an opportunity to build better businesses - a new way to make sense of a changing world and to reinvigorate growth and innovation.

As a business advisor, EY provides advisory services to promote sustainable business and corporate responsibility and we have access to a wide number of the decision-makers of the Nordic business community. We see this as a possibility to develop professional skills in relation to driving sustainable growth.

In this transformative age, we help our clients navigate and grow responsibly by ensuring they understand, tackle and leverage their digital and technological present and future. We help support entrepreneurs who are significant drivers of social and economic impact. We help our clients on important innovation topics, ranging from innovation strategy and global ecosystems to creating and scaling new ventures, and developing new operating models and ways of working.

Digitalisation, artificial intelligence, cyber security, robotics and fintech are key topics across our service offerings. We also put several of these subjects on the agenda for

„Folkemødet“, The People's Meeting 2019. Throughout the year, we share our knowledge and insights at key events, through newsletters, social media, in the thought leadership we share externally and in the many seminars we host that educate and connect thousands of people.

Commitment to quality

EY plays a crucial role in the functioning of global capital markets and thus the business world as a whole. Executing high-quality audits and delivering best in class consulting services continues to be our top priority and is at the heart of our commitment to serve the public interest.

Shifting regulation, increased enforcement and the adoption of new technologies are changing the business risks and landscapes. Investors, regulators and society as a whole are increasingly demanding greater transparency from organisations to assess their true long-term value. These demands amplify EY's role and our relentless commitment to delivering excellence in every engagement. To credibly engage others in driving sustainable inclusive growth, we must lead by example.

We continue to invest in strong Quality and Professional Practice functions that evaluate client service for quality as well as compliance with EY policies and professional standards. Additionally, our Risk Management function teams with all parts of our organisation to provide coordinated advice and assistance to client-serving teams to help identify and manage risks and support responsible growth in EY.

EY's transparency report on ey.com/dk covers in more detail our quality control system and how we comply with the extensive demands and regulations that are fundamental to our business.



We don't just deliver services. Clients team up with EY to get results and achieve sustainable change.

Mona Blønd | Chair of the Executive Board

Helping tackle corruption in all its forms

As a global professional services organisation, EY recognises its pivotal role in building trust and serving the public interest and positively influencing business behaviour, including working against corruption in all its forms. Through our policies and independence measures, we work to avoid any risks related to this area. In the insights and quality services we provide, we are guided by the belief that every audit, every tax return, every advisory opportunity, every interaction with a client or colleague can help make the working world better than it was before.

Our steadfast commitment to tackling corruption is not only enshrined in globally consistent policies and practices, including mandatory training on anti-bribery. EY professionals are harnessing the latest developments in machine learning, natural language processing and robotic process automation to help clients detect and investigate instances of fraud, misuse and other forms of non-compliance.

EY's Anti-Bribery Global Policy includes guidelines for our employees on unethical and illegal activities. We anchor anti-corruption measures across EY, and all employees are obligated to complete yearly training. At least once a year as part of EY's procedures, all EY professionals and certain other people, depending on their role, confirm that they comply with EY's independence policy and procedures. All EY professionals and partners have confirmed to comply in FY19. At the same time, EY's efforts include anti-corruption training, which is mandatory for all employees.

Anchoring our actions in our values and Global Code of Conduct

Every day, EY people make choices and decisions that directly affect colleagues, EY clients, our communities and our other stakeholders. EY's values and Global Code of Conduct, which all EY people affirm annually, provide confidence that we are using common principles to help us make the right decisions throughout our global organisation

Our Code of Conduct is our ethical framework on which we base our decisions and contains our guiding principles on

- Working with one another
- Working with clients and others
- Acting with professional integrity
- Maintaining our objectivity and independence
- Respecting intellectual capital

Our Code of Conduct promotes our principles of inclusiveness, sustainability and responsibility - including in relation to human and labour rights. Our code of conduct is available on our homepage www.ey.com/dk/da/home

Extending our Code of Conduct to our supply chain

Our code of Conduct extends beyond our own organisation. It also includes our continued efforts to promote high ethical standards within the EY supply chain and to maintain and grow a diverse supplier base that reflects the markets, clients and communities we serve. Some suppliers have activities or sub-suppliers in so-called high-risk countries, and therefore we see our supply chain as the main risk in relation to potential human rights violations.

Just as EY's Global Code of Conduct sets out the standards of ethical behaviour expected of every EY person, our Supplier Code of Conduct does the same for EY suppliers. We view their performance as an integral part of the EY value chain and expect all suppliers to meet high legal, ethical, environmental and employment-related standards.

All large EY suppliers must ensure that they and their subcontractors and suppliers respect the rights of their employees and comply with all relevant regulations, including rights to minimum wages, working conditions, no exploitation of any vulnerable groups, etc. Our sourcing decisions also reflect the EY Diversity and Inclusiveness Policy (see later) as well as demands for high environmental standards.

All main suppliers are required to sign our Supplier Code of Conduct, and everyone did so in FY19.



Penneo dokumentnøgle: VCBA1-JTD8T-QY4Z-Z3KDC-O2HWT-SV314

Markets

People

Communities

The employer of choice

At EY, everything starts with our people. It is our people who deliver exceptional client services. It is our people who make EY a great place to work and build a career.

We want to inspire and motivate people who start their careers at EY. Not only through learning, experience and coaching, but also by building strong relations and lasting networks across service lines and countries, which helps form a lasting foundation for further development and career growth.

This year, we welcomed a record of nearly 900 new hires in August across the Nordics, and nearly 150 of them are based in Denmark. They all participate in EY's Nordic Induction Programme, which is up to two weeks of intensive induction programme for all graduate hires.

One of the weeks is spent in Toledo, Spain, for an intensive week of learning and social and professional networking. More than 100 of EY's own instructors and facilitators support Nordic Inductions.

In FY19 we maintain a stable number of employees.

Developing the skills of the future

Today, learning must take place at a higher pace than change. To stay relevant and always stay ahead, we invest in our people to build the right skills and experience for them to deliver exceptional client service and help our clients build sustainable and inclusive growth.

As part of our drive to be best in class in the recruitment and development of people and to create a workforce that is ready to handle whatever may come, we provided our people with 65,590 hours of formal education in FY19. We spent DKK 25 million on mainly internal training, complemented by coaching and providing our people with the right work experiences. Moreover, our people also receive external training. We are increasingly investing in e-learning, and this year, EY provided more than 2,500 courses globally across a broad range of business topics through our online learning platform. Formal learning is the baseline, which is complemented and significantly enhanced by e.g. coaching, mentoring and ensuring that our people get the right work experiences.

All professionals get a minimum of 120 learning hours during a three-year period or whatever number of hours is needed to keep or obtain their professional certifications.

Given the potential impact that technology may have on roles and careers, EY continues to upskill and help our people develop "hot skills". This year, 223 externally validated and industry-recognised credentials known as EY Badges were initiated in Denmark, and another 61 were completed and earned with data visualisation and RPA (robotic process automation) among the most earned badges to date.

EY currently offers more than 70 badges across bronze, silver, gold and platinum levels, covering such areas as digital, analytics, blockchain, AI and cybersecurity. We regularly add new ones focusing on certain sectors.

Passing the exam to become state authorized public accountants.

In FY19, EY's candidates have once again received great results at the written exams A, B and C in August 2019 for state authorized public accountants. We see this as a result of strong focus on preparation as well as backing and support from colleagues, leaders, mentors and teachers and not least a very strong performance from our candidates.

	Exam A	Exam B	Exam C
EY's exam pass rate	60%	77%	78%
Country average exam pass rate	65%	57%	67%

Finding the right work-life balance

Achieving the right work-life balance is a significant challenge in today's society. We work to build resilience and support our people and leaders in achieving greater balance between career and private life while minimising stressful working situations.

We carry out the required workplace assessment (APV) and define focus areas for both health and for our physical and physiological work environment. We compare each focus area with results from our Global People Survey to make sure that we always define the right actions and areas for improvement.

Highly engaged people

At EY, we think of "engagement" as a combination of factors – pride, advocacy, commitment and satisfaction. We combine these into an "engagement index" that is central to our biennial Global People Survey (GPS) – one of our most important management measurement tools, which we use across all levels of our organisation.

The 2019 survey showed the highest ever engagement score in Denmark at 78% – up from 75% in 2017. At the same time, we are exceeding the external best-in-class benchmark in the Nordics, which is our goal.

We know from analysing past year's survey results that higher engagement leads to better business results. Our most engaged teams outperform less engaged ones. In addition we see that people in these teams stay longer and they deliver a better top and bottom line performance. Every year, we aim to improve and prioritise actions to drive positive change.

Enabling better conversations

At EY, we recognise that open and honest conversations lead to a better experience for everyone and better business outcomes, too.

FY19 was the second year of LEAD – our process supporting us in the transformation of how we do performance management and development. LEAD is designed to ensure

“

We don't work for EY.
We are EY.

Rikke Bräuner | Talent Team Leader

Panneo dokument nr. 10241-JTD8T-1QY4Z-Z3KDC-02HWT-SV314



that EY people frequently give and receive feedback. LEAD ensures that EY people have year-round conversations with their counsellors about their career aspirations and development needs.

Building a diverse workforce

Our global Diversity and Inclusion Policy, reinforced by our inclusion and antidiscrimination global policy, continues to strengthen our commitment to creating an environment where differences are valued.

With a diverse workforce, we are better equipped to utilise the power of different opinion, perspectives and cultural references, which will help us set the highest performing teams. At EY, we see diversity and inclusiveness as a vital factor to our business and growth, and we recognise that we have a particular challenge when it comes to attracting and retaining female professionals and leaders.

We know from our recruitment statistics in Denmark that we hire 50/50 men and women for our more junior ranks. But at senior levels, we see fewer women, and we work to overcome the challenge of retaining our female employees long enough for them to make it to partnership.

In our global Vision 2020+, we aimed at having 20% female partners by 2020. On global level, we have achieved this ambition already. Although we do see an increase in the share of women partners in Denmark, we have not reached this level yet, but we have set specific Danish targets.

We measure the share of women among partner promotions. In FY19, 20% of partner promotions were women. Our goal is 30% for the coming years. At the same time, we measure the share of women we hire externally at partner level. Here, the share of women was 29%.

Our overall goal is to have 15% share of female partners in 2021 and 25% in 2025 in EY in Denmark.

Our highest management body, our executive board is now 66% women. As a partner driven firm, we define our combined partner group as other levels of Management. Our share of female partners has increased to 9%. To ensure the optimal foundation for partner promotions among women, we work long term to ensure more women at all levels of our organisation. Among Associate Partners, we have 23% women and among Senior Managers we have 28% women.

	Share of women FY18	Share of women FY19
Share of female partners in Denmark	7%	9%
Share of female associate partners in Denmark	22%	23%
Executive Board for EY in Denmark	33%	66%
Coordination Board (EY's Danish management team)	0%	0%
Regional Leadership Team (EY's Nordic management team)	20%	23.5%

As we approach 2020, the next phase of EY's strategy will focus on making even greater use of our biggest strengths: our people, our client-centric approach, our use of technology and our global footprint. Updates on our strategy and goals will be launched towards the end of 2019.

We have several activities in place to build a more diverse workforce, including steps to increase the share of women in leadership. Some of these include:

- ▶ **Stronger process for parental leave and re-entry**
Balancing family and work can be challenging, and we seek to ensure a strong process for re-entry after maternity/paternity leave, which experience shows us is a difficult transition, especially for women. We have set up conversation guides that include suggested conversation topics, such as workload and tasks, ambitions and suggested times for follow-up conversations. We have set up dedicated Skype calls to share relevant data and inspiration for improving conversations between employees and their counsellor and manager. In 2019, we also introduced a new opportunity where

employees returning from maternity/paternity leave can work 30 hours for the first two months without any reduction in salary.

▶ **Inspiring more women**

Some of the programmes we had in place in FY19 to help future female candidates reach their full potential and guide them through the transition from being a student to becoming a young professional include:

- ▶ "Women in Consulting – Your Mentorship Programme", which aims to inspire more female students to choose a career in management consulting through quarterly meetings, social events and mentoring. In FY19, 11 mentees were paired with a female mentor from EY's Advisory who matched the mentees' background and development wishes. For the programme in FY20, we have 12 mentees so far, and we hope to maintain or increase this level.
- ▶ "Women in Transactions", which focuses on physical activity and networking. For FY20, we have set a goal to have 24 female mentees who are recent graduates or students.



Total number of employees:

1,650

Number of partners:

83

Average seniority:

3 years

Gender ratio (M/W):

58%/42%

Average age:

35

Universum Employer Ranking 2019



Denmark, business students 2019:

13 (2018: 13)



Nordic, business students 2019:

2 (2018: 2)



Denmark, professionals 2019:

31 (2018: 32)



Global, business students 2019:

2 (2018: 3)



Markets

People

Communities

Putting our knowledge and skills to work

In May 2019, we launched Volunteering at Work – a new programme that enables our employees to participate in volunteering activities where they can use their knowledge and skills for selected partner organisations on a pro bono basis. The volunteering activities fall within two pillars that are in line with our global strategy and purpose:

► **Supporting the next generation**

Helping young people to develop the mindset and transferable skills they need most to find and sustain meaningful work in a transformative age, better equipping them to adapt and thrive, whatever the future of work holds in store.

Working with impact entrepreneurs

Helping impact entrepreneurs to develop and flourish as role models for inclusive growth, using EY's distinctive knowledge, skills and experience as a catalyst for improving their businesses' resilience, productivity and capacity for sustainable growth.

While we build momentum around the programme, our goal is to engage minimum 5% of our people in Denmark in volunteering activities this first year (FY20).

For the Volunteering at Work program, we have teamed up with a total of 10 partner organisations and NGOs.

One of the partners is the Danish Foundation for Entrepreneurship (Fonden for Entreprenørskab), the national knowledge centre and focal point for the development of entrepreneurship teaching at all educational levels. Among other things, EY employees volunteer to be judges for the competition Danish Entrepreneurship Award, which is Denmark's largest idea event for students and The Start-Up Programme, which is a unique entrepreneurship programme for educational institutions.

Thomas Visti Niels Jul Jacobsen Mobile Industrial Robots ApS



Inspiring others to innovate and grow – EY Entrepreneur Of The Year

There are a lot of successful people in the world, but to build something truly remarkable, you cannot let anything stand in your way. And only a few leaders are part of this special group: the ones who never give up. Driven by their desire to better the world around them, they stop at nothing to achieve their greatest ambitions. They cut through the noise of this transformative age by breaking away from the pack – and then end up leading it.

With EY Entrepreneur Of The Year, we recognise the endeavours of exceptional people who continue to innovate and create the products, services and jobs that keep our local and global economies moving forward. Since its inception, EY Entrepreneur Of The Year has grown and now includes programmes in more than 145 cities and more than 60 countries worldwide. The EY Entrepreneur Of The Year Award has recognised the achievements of Denmark's top entrepreneurs for the past 23 years.

At EY, we are committed advocates for supporting entrepreneurship, and we believe the inspiring stories need to be told about the businessmen and women who have the passion and courage to follow their dreams, create remarkable results and contribute to our society.

Entrepreneurship with a social impact

In November 2018, we announced the first ever winner of the Social Entrepreneurship category in EY Entrepreneur Of The Year. With this award, EY and our partners aim to create attention and awareness of businesses who manage to create social impact through a profitable business model. Social impact can be obtained through employment, health, cultural or environmental initiatives – and preferably with specific targets relating to the UN Sustainable Development Goals. The winner in 2018 was Specialisterne.

Recent winners of EY Entrepreneur Of The Year in Denmark:

2018: Mobile Industrial Robots ApS

2017: Aller Aqua A/S

2016: Micro Matic A/S

2015: CASA A/S

Protecting our environment and climate

As a professional services firm, our environmental footprint is relatively low. Even so, we seek to incorporate climate and environmentally friendly decisions in all our ways of working and continually seek new ways to minimise our impact on the environment and climate.

To meet our environmental ambitions, we have introduced better opportunities for sorting categories of waste in our kitchenettes and throughout the office areas. In our canteen in Copenhagen, we continue to sort and measure food waste. These are the areas we have identified as having the highest impact on the environment and thus are where we can make a difference.

One example of trying to minimise food waste is offering our people the opportunity to take home boxes of left-over food from the lunch buffet. Last year, our efforts helped us reduce food waste by 7-10 kilos per day. This year, we are able to maintain the low level we achieved last year.

We continue to offer vegetarian dishes and plated meals to reduce meat consumption. This reduced our consumption by two tonnes in FY18, and in FY19, we have reduced it slightly more. On average, our canteen has 1,000 users daily.

Reducing our emissions

Our office buildings and business travels, mainly by air and car, are the primary contributors to EY's carbon footprint, and thereby global climate change. Since FY18, we have reduced our CO₂ emissions by 7.4%. We aim to reduce our emissions further and expect our new office building in Copenhagen to help lower our consumption of energy.

We have managed to reduce emissions from heating and electricity (mainly cooling) in our office buildings by 21.6%, primarily because we use more green energy. Emissions from cars are reduced by 12.8%, primarily due to lower consumption and slightly fewer cars. More international client assignments means a slight increase in travels by air with 2.3%. We aim to reduce this level in FY20.

To visualise our individual travel patterns, each employee who has booked travels through our travel platform this past year, receives a personalised Travel Dashboard showing their carbon footprint of air travel for the year. The aim is to encourage our people to be more aware of travel patterns and choice of transport. While our globally connected work for clients requires travelling to some extent, we also encourage the use of Skype and video conferencing and where possible travelling by train, etc.



Total CO₂ emissions in 2018/19 in tonnes:

* Data is based on leased cars only
** Data for heating and electricity covers our largest locations and more than 70% of our employees.

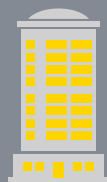
Business travels by car*



252 tons

-12.8%

Real estate – electricity and heating**



370 tons

-21.6%

Business travels by air



878 tons

+2.3%

EY House



We will move into our new Copenhagen headquarters in November 2019. The 8,300 m² new building is six stories + basement, and the aim is to have the building Gold certified in the DGNB system for sustainable buildings. The certification requires fulfilment of up to 50 sustainability criteria from the quality sections ecology, economy, socio-cultural aspects, technology, process work flows and site.





Financial highlights, group



Penneo dokumentnøgle: VCBA1-JTD8THC 4Z 22KDC-02AW1-SV314

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

FINANCIAL HIGHLIGHTS, GROUP

DKKm	2018/19	2017/18	2016/17	2015/16	2014/15 *)
Key figures					
Revenue	1.952	1.832	1.792	1.655	2.554
Operating profit/loss	31	32	32	23	18
Profit/loss from net financials	-2	-3	-5	-7	2
Profit/loss before tax	29	28	27	17	20
Profit/loss for the year	29	28	25	16	16
Comprehensive income for the year	29	28	25	16	14
Balance sheet					
Non-current assets	18	18	38	38	37
Current assets	792	836	793	936	928
Total assets	810	854	830	973	965
Share capital	100	100	100	100	100
Equity	130	131	128	118	117
Non-current liabilities	2	4	12	18	10
Current liabilities	678	719	690	837	838
Cash flows					
Cash flows from operating activities	77	19	81	21	-152
Cash flows from investing activities	0	20	0	0	40
Cash flows from financing activities	-86	-41	-107	-1	119
Total cash flows	-9	-3	-26	21	8
Financial ratios					
Current ratio	116,8%	116,3%	114,8%	111,8%	110,7%
Solvency ratio	16,0%	15,3%	15,4%	12,2%	12,2%
Return on equity	22,3%	21,6%	20,6%	13,2%	12,5%
Employees					
Average number of full-time employees	1.550	1.540	1.473	1.426	1.454
Number of full-time employees at year end	1.533	1.558	1.591	1.563	1.501
Number of employees at year end	1.644	1.658	1.687	1.650	1.530

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines. For terms and definitions, please see the consolidated financial statements and the parent company financial statements.

*) The consolidated financial statements and the parent company financial statements for 2014/15 comprise the period 1 January 2014 – 30 June 2015 and thus cover 18 months.

Financial performance and operating review

Principal activities

The EY Group's operating activities in Denmark comprise the entity Ernst & Young Godkendt Revisionspartnerselskab and the subsidiaries EY Net Source A/S and EY Grønland Godkendt Revisionsanpartsselskab.

The Group provides professional services in Denmark. EY is an integral part of a large Nordic, European and global network.

In line with last year, the annual report for the period 1 July 2018 - 30 June 2019 has been prepared in accordance with IFRS as adopted by the EU and Danish disclosure requirements under the Danish Financial Statements Act.

Financial position

In the accounting period, the EY Group realised revenue totalling DKK 1,952 million compared to DKK 1,832 million in 2017/18. The development in revenue is satisfactory, and the year's growth rate of 6.6% meets expectations. Revenue has increased in all service lines - most notably in TAS, in which revenue increased by 40%.

Other operating income, net amounts to DKK 61 million (2017/18: DKK 87 million). This includes EY network contributions and grants received for special purposes.

Operating expenses for the year, comprising other external expenses and staff costs, total DKK 1,982 million (2017/18: DKK 1,888 million). This includes staff costs totalling DKK 1,258 million (2017/18: DKK 1,247 million), which comprise partner remuneration. In accordance with the Danish Auditors Act, there are no external owners/investors, but all the Company's (ultimate) owners work in the Company.

The average number of employees is 1,550 (2017/18: 1,540) full-time employees.

Profit before tax amounts to DKK 29 million (2017/18: DKK 28 million). Considering the general economic development in Denmark and our industry, the profit is considered satisfactory.

Cash flows for the year

Cash flows from operating activities for the year amount to DKK 77 million (2017/18: DKK 19 million). The increase is primarily attributable to the decrease in prepaid expenses. Cash flows from financing activities amount to a negative DKK 86 million (2017/18: a negative DKK 41 million), which is attributable changes in receivables and payables from other related parties/group entities.

Balance sheet and capital structure

EY's total assets amount to DKK 810 million (2018: DKK 854 million), of which current assets total DKK 792 million (2018: DKK 836 million). The current assets primarily comprise trade receivables and services in progress as well as receivables from other related parties.

Current liabilities amount to DKK 680 million (2018: DKK 723 million). This includes payables to group entities, contract assets, staff obligations, trade payables and other payables.

EY's equity amounts to DKK 130 million, corresponding to an equity ratio of 16.0 % (2018: 15.4 %).

No significant acquisitions of activities were made during the year.

Outlook

For the financial year 2018/19, we expect a fair one-digit growth rate increase in revenue. We expect the highest growth in our advisory services.

We expect a minor increase in profit for the year in 2019/20.

Subsequent events

No significant events affecting the annual report have occurred after the balance sheet date.

Market risks

EY is one of the leading professional services providers in the market, and we have a strong and diverse client portfolio ranging from small companies and start-ups to a broad range of some of the largest and leading firms in Denmark. EY is known and respected for delivering the highest quality, and throughout our organisation, we emphasise this in all our processes from quality controls to HR-related areas. In the top end of the market, we have other large professional services providers as our closest competitors. Our strategy revolves around delivering professional services of the highest quality with personal, direct interaction, dialogue and sparring as the essential and contributing factors in our services. With this foundation, we believe we are well positioned to further expand our market position.

Financial risks

Due to our capital structure, EY has limited exposure to changing interest rates levels. At the same time, EY's currency risks are limited as the vast majority of our transactions are made in DKK or Euro.

EY's credit risk is primarily related to net funds tied up in receivables from selling services and services in progress. The combined funds tied up in these items account for DKK 538 million. EY does not have considerable debtor risks in relation to individual clients or stakeholders/business partners. At the same time, EY has a credit policy for assessing clients and credit risks, which means we have relatively limited losses on outstanding accounts. The accumulated losses charged to the income statement were less than 1% of revenue. Due to the economic situation in Denmark and internationally, the credit risk has decreased in the past year. However, we continue to focus on the overall credit assessment as well as cash flow management and debt collection of all engagements.

We refer to note 21 to the financial statements.

EY's executive board and management team

Executive Board for EY in Denmark



Mona Blønd
Chair



Mikkel Sthyr



Mette Storm

Danish management team – Service line leaders and CEO



Torben Bender
Partner
CEO



Jan C. Olsen
Partner
Assurance Big Cities



Jan Huusmann
Partner
Tax & Law



Jon Midtgaard
Partner
Assurance Local Regions



René Ravn
Partner
Advisory



Søren P. Krejler
Partner
Transactions

Company details

Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4 P.O. Box 250
DK-2000 Frederiksberg
Telephone: +45 73 23 30 00
Website www.ey.com/dk

CVR no. 30 70 02 28
Established: 2 July 2007
Registered office Copenhagen Financial year: 1 July - 30 June

Board of Directors

Mona Blønd (chair)
Mette Storm
Mikkel Sthyr

Executive Board

Torben Bender

General partner

Komplementarselskabet af 1. januar 2008 A/S
Osvald Helmuths Vej 4
P.O. Box 250
DK-2000 Frederiksberg

Auditor

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 Copenhagen V

Annual general meeting

The annual general meeting will be held on 11 November 2019

Statement by Management



Penneo dokumentnøgle: VCBA.1-JTD8T-IQY4Z-Z3KDC-O2HWT-SV314

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ernst & Young Godkendt Revisionspartnerselskab for the financial year 1 July 2018 - 30 June 2019.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2019 and of the results of the Group's

and the Parent Company's operations and cash flows for the financial year 1 July 2018 - 30 June 2019.

In our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

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

Copenhagen, 11 November 2019

Executive Board

Torben Bender
CEO and Country Managing Partner

Board of Directors

Mona Blønd
Chair

Mette Storm

Mikkel Sthyr

Independent auditor's report

To the shareholders of Ernst & Young Godkendt Revisionspartnerselskab

Independent auditor's report on the consolidated financial statements and the parent company financial statements

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Ernst & Young Godkendt Revisionspartnerselskab for the financial year 1 July 2018 - 30 June 2019, which comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group as well as the Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2019 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 July 2018 - 30 June 2019 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent foundation financial statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards

Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent foundation financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

Our responsibility in connection with our audit of the consolidated financial statements and the parent company financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or with the knowledge we have gained 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 consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent foundation financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark

will always detect a material misstatement when it exists. Misstatements can 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 users taken on the basis of the consolidated financial statements and the parent foundation financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 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 Group's and the Parent 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 consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Group's and the Parent 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 consolidated financial statements and the parent company 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 Group and the Parent Company to cease to continue as a going concern.

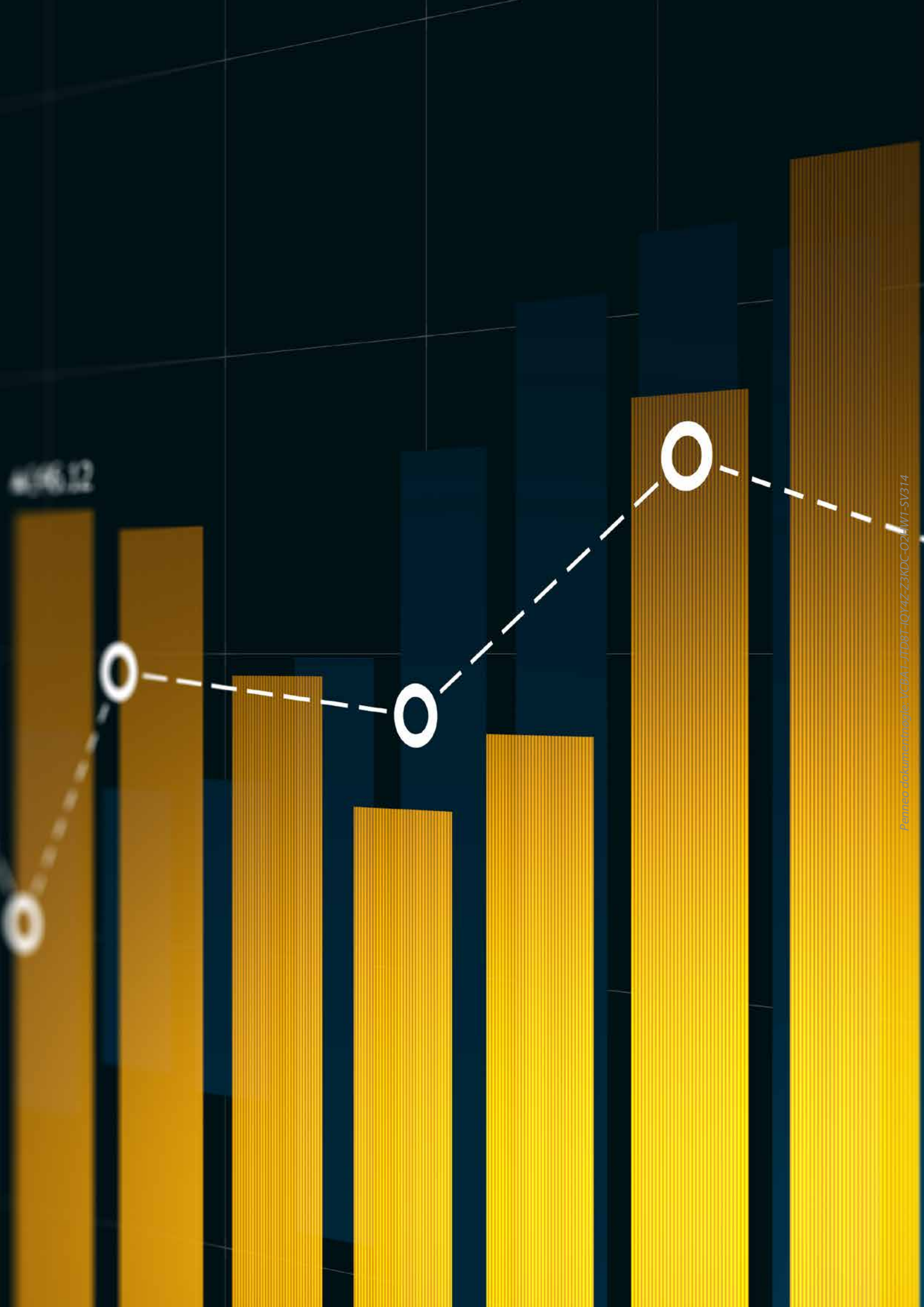
- ▶ Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the note disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- ▶ Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 internal control that we identify during our audit.

Copenhagen, 11 November 2019

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Per Frost Jensen
State Authorised
Public Accountant
MNE no. 27740



Partners: CCJournals@magfe:VCBA-I-JTD8T-IQY4Z-Z3KDC-O2AWT-SV314

▲215.25

Consolidated financial statements and parent company financial statements

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

STATEMENT OF COMPREHENSIVE INCOME

Notes	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
3 Revenue	1.952,0	1.831,9	1.885,1	1.756,8
4 Other operating income	61,0	87,3	65,3	93,3
Income	2.013,0	1.919,2	1.950,4	1.850,1
5 Other external expenses	-723,8	-640,6	-711,2	-627,0
6 Staff costs	-1.258,3	-1.247,1	-1.208,8	-1.193,1
Operating profit/loss	30,9	31,5	30,4	30,0
Dividends from subsidiaries	-	-	1,7	4,9
7 Financial income	0,3	2,0	0,3	1,9
8 Financial expenses	-2,0	-5,1	-2,0	-7,0
Profit/loss before tax	29,2	28,4	30,4	29,8
9 Tax for the year	-0,1	-0,5	-	-
Profit/loss for the year	29,1	27,9	30,4	29,8
Other comprehensive income after tax	-	-	-	-
Comprehensive income for the year	29,1	27,9	30,4	29,8

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

BALANCE SHEET

Notes	Group		Parent	
	30-06-2019 DKKm	30-06-2018 DKKm	30-06-2019 DKKm	30-06-2018 DKKm
ASSETS				
Non-current assets				
10 Equity investments in subsidiaries	-	-	2,2	2,2
10 Deposits	18,0	17,8	17,8	17,7
Deferred tax	0,1	-	-	-
Total non-current assets	18,1	17,8	20,0	19,9
Current assets				
11 Trade receivables	409,4	387,1	401,4	376,3
12 Contract assets	234,7	228,6	231,5	226,0
Receivables from other EY firms	105,5	115,3	105,5	115,3
Other receivables	0,4	4,2	-	3,9
14 Prepaid expenses	30,1	79,2	30,1	79,2
Cash	12,1	21,5	11,2	20,2
Total current assets	792,2	835,9	779,7	820,9
TOTAL ASSETS	810,3	853,7	799,7	840,8

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

BALANCE SHEET

Notes	Group		Parent	
	30-06-2019 DKKm	30-06-2018 DKKm	30-06-2019 DKKm	30-06-2018 DKKm
EQUITY AND LIABILITIES				
15 Equity				
Share capital	100,0	100,0	100,0	100,0
Retained earnings	-0,4	0,9	-	-
Proposed dividend	30,4	29,8	30,4	29,8
Total equity	130,0	130,7	130,4	129,8
Liabilities				
Non-current liabilities				
16 Provisions	2,3	4,1	2,3	4,1
Total non-current liabilities	2,3	4,1	2,3	4,1
Current liabilities				
16 Provisions	4,8	1,9	4,8	1,9
12 Contract liabilities	106,5	89,6	102,6	87,8
Trade payables	32,1	41,1	32,1	41,1
Payables to group entities	200,3	231,7	204,1	232,0
Payables to other EY firms	61,5	96,1	61,5	96,1
17 Other payables	272,8	258,5	261,9	248,0
Total current liabilities	678,0	718,9	667,0	706,9
Total liabilities	680,3	723,0	669,3	711,0
TOTAL EQUITY AND LIABILITIES	810,3	853,7	799,7	840,8

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

STATEMENT OF CHANGES IN EQUITY

DKKm	Group			
	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2017	100,0	2,8	25,1	127,9
Comprehensive income				
Profit/loss for the year	-	-1,9	29,8	27,9
Total comprehensive income for the period	-	-1,9	29,8	27,9
Transactions with owners				
Distributed dividend	-	-	-25,1	-25,1
Total transactions with owners	-	-	-25,1	-25,1
Equity at 30 June 2018	100,0	0,9	29,8	130,7
Comprehensive income				
Profit/loss for the year	-	-1,3	30,4	29,1
Total comprehensive income for the period	-	-1,3	30,4	29,1
Transactions with owners				
Distributed dividend	-	-	-29,8	-29,8
Total transactions with owners	-	-	-29,8	-29,8
Equity at 30 June 2019	100,0	-0,4	30,4	130,0

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

STATEMENT OF CHANGES IN EQUITY

Parent

DKKm	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2017	100,0	-	25,1	125,1
Comprehensive income				
Profit/loss for the year	-	-	29,8	29,8
Total comprehensive income for the period	-	-	29,8	29,8
Transactions with owners				
Distributed dividend	-	-	-25,1	-25,1
Total transactions with owners	-	-	-25,1	-25,1
Equity at 30 June 2018	100,0	-	29,8	129,8
Comprehensive income				
Profit/loss for the year	-	-	30,4	30,4
Total comprehensive income for the period	-	-	30,4	30,4
Transactions with owners				
Distributed dividend	-	-	-29,8	-29,8
Total transactions with owners	-	-	-29,8	-29,8
Equity at 30 June 2019	100,0	-	30,4	130,4

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

CASH FLOW STATEMENT

Notes	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
Comprehensive income for the period	29,1	27,9	30,4	29,8
18 Adjustments	52,0	-21,0	51,9	-16,4
19 Changes in working capital	-2,4	11,8	-7,0	12,5
<i>Cash generated from operations</i>	<i>78,7</i>	<i>18,7</i>	<i>75,3</i>	<i>25,9</i>
Interest received	0,3	2,0	0,3	1,9
Interest paid	-2,0	0,2	-2,0	-2,8
<i>Cash generated from operations (ordinary activities)</i>	<i>77,0</i>	<i>20,9</i>	<i>73,6</i>	<i>25,0</i>
Corporation tax paid	0,2	-2,0	-	-
Cash flows from operating activities	77,2	18,9	73,6	25,0
Payment of deposits	-0,5	-4,9	-0,4	-4,9
Repayment of deposits	0,3	24,7	0,3	24,2
Cash flows from investing activities	-0,2	19,8	-0,1	19,3
Changes in payables to group entities	-66,0	17,2	-62,5	15,3
Changes in receivables from other related parties	9,8	-33,3	9,8	-35,3
Distributed dividend	-29,8	-25,1	-29,8	-25,1
Cash flows from financing activities	-86,0	-41,2	-82,5	-45,1
Cash flows for the period	-9,0	-2,5	-9,0	-0,8
Cash and cash equivalents, beginning of year	21,5	24,0	20,2	21,0
Cash and cash equivalents, year end	12,1	21,5	11,2	20,2

Cash and cash equivalents comprise bank deposits.

Notes

Consolidated financial statements and parent company financial statements
1 July 2018 – 30 June 2019
SUMMARY OF NOTES

Note

- 1 Accounting policies
- 2 Accounting estimates and judgements
- 3 Revenue
- 4 Other operating income, net
- 5 Fees paid to auditor appointed at the annual general meeting
- 6 Staff costs
- 7 Financial income
- 8 Financial expenses
- 9 Tax for the year
- 10 Other non-current assets
- 11 Trade receivables
- 12 Contract assets and liabilities
- 13 Corporation tax
- 14 Prepaid expenses
- 15 Equity
- 16 Provisions
- 17 Other payables
- 18 Adjustments
- 19 Changes in working capital
- 20 Contractual obligations, contingent liabilities and collateral
- 21 Financial risks and financial instruments
- 22 Related parties
- 23 New accounting regulation

Note 1

Accounting policies

Ernst & Young Godkendt Revisionspartnerselskab is a limited partnership company with its registered office in Denmark. The annual report for the period 1 July 2018 - 30 June 2019 comprises the consolidated financial statements of Ernst & Young Godkendt Revisionspartnerselskab and its subsidiaries, EY Net Source A/S and EY Grønland Statsautoriseret Revisionsanpartsselskab and the parent company financial statements.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for large reporting class C companies.

On 11 November 2019, the Board of Directors and the Executive Board discussed and approved the annual report for 2018/19. The annual report will be presented to the shareholders of Ernst & Young Godkendt Revisionspartnerselskab for approval at the annual general meeting on 11 November 2019.

Lease and license agreement of the audit and advisory business

The Group carries on advisory and audit activities. In connection with the merger of the former KPMG's and EY's Danish activities at 1 July 2014, a lease and license agreement was entered into with Ernst & Young Danmark A/S, who owns the former EY's fixed assets, including intangible assets. The lease and license agreement implies that Ernst & Young Danmark A/S passes on the right of use and operation to all fixed assets, including intangible assets, and to all rental agreements, licence agreements and leases related to the audit activities to the Group.

The Group pays consideration for the lease and license agreement entered into between Ernst & Young Partnership P/S and the Group. The consideration comprises a revenue-based lease and license fee and a fixed fee related to the right of use to Ernst & Young Partnership P/S' fixed assets and the

right of use to the rental agreements, licence agreements and leases entered into by Ernst & Young Partnership P/S. The right of use to non-current assets, including assets held under rental agreements, licence agreements and leases, is solely subject to minimum payments.

The lease and license agreement is terminable at one year's notice and will then terminate on 31 December. The notice of termination comprises all components of the lease and license agreement, including the rights of use to Ernst & Young Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by Ernst & Young Partnership P/S. The agreement is subject to standard termination clauses on non-performance in accordance with the lease and license agreement.

Basis for preparation

The annual report is presented in Danish kroner (DKK), which is the functional currency of the Parent Company, rounded to million DKK presented to one decimal place.

The accounting policies described below have been applied consistently to the financial year and the comparative figures.

Changes in accounting policies

The Group has implemented the standards and interpretations effective from 2018/19. None of these standards and interpretations have affected recognition and measurement in 2018/19 and are not expected to affect the Group going forward.

Impact of IFRS 9

IFRS 9 Financial Instruments, which replaces IAS 39, introduces a more logical approach to the classification of financial assets driven by the entity's business model and the characteristics of the underlying cash flows. At the same time, a new impairment model is introduced for all financial assets.

Classification and measurement of financial assets and liabilities

The Group's receivables, which primarily include trade receivables, have previously been classified as receivables and measured at amortised cost.

Trade receivables, including services in progress, are written down pursuant to the simplified expected credit loss model under IFRS, according to which the total expected loss is recognised immediately. Due to historical insignificant losses, the effect of the changes from the previous write-down model, according to which write-down was recognised when an indication of loss was identified (incurred loss model), is insignificant.

Impact of IFRS 15

IFRS 15 Revenue from Contracts with Customers, which replaces the current standards on revenue (IAS 11 and IAS 18) and related interpretations, introduces a new model for recognising and measuring revenue from contracts with customers.

The Group assesses that the accounting policies applied until now according to which revenue is recognised as the service is rendered are in accordance with IFRS 15 and the implementation of the new standard and that IFRS 15 therefore has no impact on recognition and measurement of revenue.

Description of accounting policies

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Ernst & Young Godkendt Revisionspartnerselskab, and its wholly-owned subsidiaries EY Net Source A/S and EY Grønland Statsautoriseret Revisionsanpartsselskab.

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the subsidiaries' financial statements, which are prepared according to the

Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains to the extent they do not reflect impairment.

Equity investments in subsidiaries are eliminated by the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies.

Foreign currency translation

The functional currency of the Parent Company and the subsidiaries is DKK. Transactions denominated in other currencies than the functional currency are foreign currency transactions.

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency using 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 into the functional currency using the exchange rates at the balance sheet date. The difference between the exchange rates at the end of the reporting period and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in profit or loss as financial income or financial expenses.

Statement of comprehensive income

Revenue

Income from the sale of services is recognised over time as the service is rendered. Accordingly, revenue corresponds to

the selling price of work performed. Recognition implies that total income and expenses 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.

The stage of completion is assessed based on work performed (based on actual consumption) compared to estimated total work to be performed (based on expected total time consumption).

Revenue from services whose selling price is contingent on the outcome of future events, including success fees from mergers and acquisitions, etc., is recognised at the date when the conditions are met.

Revenue includes re-invoicing of work performed by sub-suppliers at the Group's expense and risk as well as other outlays.

The terms of payment in the Group's sales agreements will typically not exceed 2 months. For large engagements, on-account payments are requested, while small engagements are typically invoiced when completed. Revenue from services whose selling price is contingent on the outcome of future events is typically invoiced at the date of completion.

The Group usually does not enter into sales agreements with a credit period of more than 12 months. Accordingly, the Group does not adjust the agreed contract price with a finance charge.

Other operating income

Other operating income comprises items of a secondary nature relative to the Group's principal activities, including canteen sales, rental income and the sale of shared services to external tenants, profit sharing and grants received.

Other external expenses

Other external expenses comprise outlays relating to clients, operating lease expenses as well as expenses relating to marketing, HR, administration, premises, bad debts, etc.

Staff costs

Staff costs comprise wages, salaries and related taxes, pension and social security costs to the Group's employees and partners as well as other staff costs, including jubilee benefits for the year.

Financial income and expenses

Financial income and expenses comprise interest income and expense, exchange gains and losses on transactions denominated in foreign currencies, amortisation of liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The Parent Company is not an independent taxable entity, and consequently, no provision for tax on the Parent Company's profit/loss is made in the annual report.

The Parent Company's profit/loss is taxed at the Parent Company's partners in accordance with applicable rules in Danish tax law.

Therefore, tax for the year in the Group solely relates to tax on the profit/loss of subsidiaries that are independent taxable entities.

Tax for the year in the consolidated financial statements comprises current tax and changes in deferred tax for the year for the subsidiaries, including changes in deferred tax due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in other comprehensive income is recognised directly in other comprehensive income.

Balance sheet

Intangible assets

Deposits

Deposits paid are recognised in the balance sheet at amortised cost. Deposits primarily relate to rent deposits.

Receivables

Receivables, which comprise trade receivables and other receivables, are measured at amortised cost, which usually corresponds to the nominal value.

Contract assets

Contract assets are measured at the selling price of the work performed plus out-of-pocket expenses and less progress billings. The individual contract assets are recognised in the balance sheet as either receivables or payables. Net assets comprise the sum of services where the selling price of the work performed exceeds invoicing on account. Net liabilities are determined as the sum of contract assets where progress billings exceed the selling price of the work performed.

Write-down of receivables and contract assets

Write-down for bad and doubtful debts on receivables and contract assets is made in accordance with the simplified expected credit loss model according to which the total life-time expected loss is recognised immediately in the income statement at the same time as the receivable and service in progress are recognised in the balance sheet.

Prepaid expenses

Prepaid expenses are measured at cost. Prepaid expenses primarily comprise prepaid rent, insurance, subscriptions and membership fees as well as membership subscription to EY.

Equity - dividend

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date).

Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Tax payables and receivables solely relate to the subsidiaries that are independent taxable entities.

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year in the subsidiaries, adjusted for tax on prior-year taxable income and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

Provisions comprise anticipated expenses for professional liability claims, onerous contracts and jubilee benefits. Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation and it is probable that there will be an outflow of resources embodying economic benefits to settle the obligation.

On measurement of provisions, the costs required to settle the liability are discounted if the effect is material to the measurement of the liability. Changes to the present value during the year are recognised as financial expenses.

A provision has been made for losses on known and potential professional liability claims for damages based on an assessment of the known facts of the individual cases.

The provision for jubilee benefits is based on an actuarial calculation of the present value of the expected jubilee benefits. The provision is calculated based on the current wage level as well as expected future wage increases and expected termination of employment.

Financial liabilities and other payables

Financial liabilities comprise payables to trade payables and payables to group entities.

On initial recognition, financial liabilities are recognised at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost.

Other payables are measured at amortised cost, which substantially corresponds to the nominal value.

Right of use under the lease and license agreement of the audit and advisory business and other leases

The right of use to Ernst & Young Partnership P/S' fixed assets including intangible assets falls within the lease and license agreement, including the termination clauses of the agreement. Payments related to the right of use are recognised in the statement of comprehensive income together with the lease and license fee over the term of the lease and license agreement. The Group's total liability regarding the right of use is disclosed together with its other liabilities, see information about the lease and license agreement in the contractual obligations note.

Other leases that do not fall within the lease and license agreement and where the Group does not bear all significant risks and is entitled to all significant benefits incident to

ownership are operating leases. Payments relating to operating leases and other leases are recognised in the statement of comprehensive income over the terms of the individual leases. The Group's total liabilities relating to operating leases and other leases are disclosed in the contractual obligations note.

The Group has not entered into any finance leases.

Cash flow statement

Cash flows from operating activities are calculated based on the indirect method as profit/loss after tax adjusted for non-cash operating items, changes in working capital, interest received and paid, dividends received and corporation tax paid.

Cash flows for investing activities comprise payments in connection with acquisitions and disposals of intangible assets, property, plant and equipment and other non-current assets.

Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs as well as changes in balances with group entities and other related parties, the raising of loans, repayment of interest-bearing debt as well as payment of dividend to shareholders.

Cash and cash equivalents comprise cash at bank and in hand.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year-end} \times 100}{\text{Total liabilities at year-end}}$
Return on equity	$\frac{\text{Result for the year} \times 100}{\text{Average equity}}$

Parent Company

The accounting policies applied in the parent company financial statements as described above deviate from the accounting policies applied in the consolidated financial statements in the following respects.

Dividends from subsidiaries

Distribution of retained earnings in subsidiaries is recognised as income in the statement of comprehensive income in the year of declaration. Impairment tests are performed if dividend distributions exceed the given subsidiary's comprehensive income for the period.

Tax for the year

The Parent Company is not an independent taxable entity, and consequently, no provision for tax on the Parent Company's profit/loss is made in the annual report.

The Parent Company's profit/loss is taxed at the Parent Company's partners in accordance with applicable rules in Danish tax law.

Equity investments in subsidiaries

Equity investments in subsidiaries are measured at cost. In case of evidence of impairment, an impairment test is conducted. In connection with the impairment test, the subsidiary's recoverable amount is calculated. Equity investments are written down to the lower of the carrying amount and the recoverable amount. Impairment losses are recognised in the statement of comprehensive income as financial expenses.

Impairment losses are reversed in so far as the assumptions and estimates underlying the impairment losses have changed.

Note 2

Accounting estimates and judgements

Estimation uncertainty

The calculation of the carrying amount of certain assets and liabilities requires assessments, estimates and assumptions concerning future events.

The estimates and assumptions made are based on historical experience and other factors that Management finds reasonable in the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Moreover, the Group is subject to risks and uncertainties that may entail that actual results differ from these estimates. Ernst & Young Godkendt Revisionspartnerselskab' special risks are described in the Management's review and note 29 to the consolidated financial statements and the parent company financial statements.

It may be necessary to change previous estimates due to changes in the conditions on which these previous estimates were based or due to new knowledge or subsequent events.

Estimates that are significant to the financial reporting are made by determining revenue and selling price on contract assets.

Recognition of revenue and selling price of contract assets

Contract assets relating to services agreed but not completed are measured at the balance sheet date at the selling price of the work performed based on the stage of completion of the services, which is determined based on time spent and an assessment of the fee value thereof. The assessment of the stage of completion and thus revenue relating to contract assets are part of the continuous management control and budgetary control over the individual projects, which reduces the uncertainty related to the determination thereof.

Reference is made to note 12 for an overview of contract assets at 30 June.

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
3 Revenue				
Revenue relates to audit and advisory services and largely originates from Denmark.				
Revenue can be broken down by business segments as follows:				
Assurance	954,4	953,5	926,9	926,2
Tax	457,5	433,6	418,1	385,8
TAS	290,8	204,5	290,8	204,5
Advisory	249,3	240,3	249,3	240,3
	1.952,0	1.831,9	1.885,1	1.756,8
4 Other operating income				
Grants received for special purposes	7,3	17,3	7,3	17,3
Profit sharing and final settlement, etc.	47,5	65,1	47,5	65,1
Other income	6,2	4,9	10,5	10,9
	61,0	87,3	65,3	93,3
5 Fees paid to auditor appointed at the annual general meeting				
Audit of the annual report	0,5	0,4	0,5	0,4
	0,5	0,4	0,5	0,4
6 Staff costs				
Wages, salaries and partner remuneration	1.164,6	1.160,0	1.118,0	1.109,4
Pensions	81,7	75,9	80,0	73,7
Other social security costs	12,0	11,2	11,0	10,0
	1.258,3	1.247,1	1.209,0	1.193,1
Average number of full-time employees	1.550	1.540	1.463	1.444
Number of full-time employees at year end	1.533	1.558	1.444	1.497
Number of employees at year end	1.644	1.658	1.547	1.531
Profit-sharing partners at year end	83	89	83	89
The Parent Company's Board of Directors does not receive directors' remuneration.				
Remuneration of the Executive Board amounts to	5,2	5,2	5,2	5,2
Remuneration of the Executive Board comprises the share attributable to the performance of duties in the Executive Board.				
7 Financial income				
Foreign exchange gains	0,2	-	0,2	-
Interest income, other related parties	-	1,7	-	1,6
Other financial income	0,1	0,3	0,1	0,3
	0,3	2,0	0,3	1,9

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
8 Financial expenses				
Interest expenses, group entities	1,6	-	1,6	-
Other interest expenses	0,1	2,2	0,1	2,1
Foreign exchange losses	-	2,6	-	2,6
Write-down of shares in subsidiary	-	-	-	2,0
Other financial expenses	0,3	0,3	0,3	0,3
	2,0	5,1	2,0	7,0
9 Tax for the year				
Current tax	0,2	0,4	-	-
Deferred tax	-0,1	0,1	-	-
	0,1	0,5	-	-
<i>Tax for the year can be specified as follows:</i>				
Profit/loss for the year before tax	29,2	28,4	30,4	29,8
Amount relating to profit/loss for the year before tax in the Parent Company (not an independent taxable entity)	-28,7	-24,9	-30,4	-29,8
Profit/loss for the year from subsidiaries	0,5	3,5	-	-
Computed 22.0% tax on profit/loss before tax from Danish subsidiary	0,1	0,5	-	-
Computed 31.8% tax on profit/loss before tax from Greenlandic subsidiary	-	-0,2	-	-
Tax effect of:				
Non-deductible expenses	-0,1	-0,1	-	-
Write-down of tax asset	0,1	0,3	-	-
	0,1	0,5	-	-
Effective tax rate in subsidiaries	20%	14%	-	-

The Parent Company is not an independent taxable entity, and consequently, tax is not recognised in the parent company financial statements. Thus, tax for the year solely relates to subsidiaries.

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

DKKm	Group		Parent
	Deposits	Equity investments in subsidiaries	Deposits
10 Non-current assets			
Cost at 1 July 2017	37,6	9,8	37,0
Additions for the year	4,9	2,0	4,9
Disposals for the year	-24,7	-	-24,2
Cost at 30 June 2018	17,8	11,8	17,7
Value adjustments at 1 July 2017	-	-7,6	-
Value adjustments for the year	-	-2,0	-
Value adjustments at 30 June 2018	-	-9,6	-
Carrying amount at 30 June 2018	17,8	2,2	17,7
Cost at 1 July 2018	17,8	11,8	17,7
Additions for the year	0,5	-	0,4
Disposals for the year	-0,3	-	-0,3
Cost at 30 June 2019	18,0	11,8	17,8
Value adjustments at 1 July 2018	-	-9,6	-
Value adjustments at 30 June 2019	-	-9,6	-
Carrying amount at 30 June 2019	18,0	2,2	17,8

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

10 Other non-current assets, continued

Equity investments in subsidiaries comprise:

Name	Registered office	Voting rights and ownership
EY Net Source A/S	Frederiksberg	100%
EY Grønland Godkendt Revisionsanpartsselskab	Frederiksberg	100%

All shares in EY Net Source A/S have been charged to the Parent Company. The Parent Company has a contingent option to purchase the shares in EY Net Source A/S.

Deposits comprise amounts deposited in connection with leases covered by the lease and license agreement that will be repaid when the agreement expires. Deposits are generally indexed annually and are considered collateral for accounting purposes and measured at amortised cost.

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
	DKKm	DKKm	DKKm	DKKm
11 Trade receivables				
Trade receivables before provision for losses	417,3	397,2	408,8	386,0
Provision for losses	-7,9	-10,1	-7,4	-9,7
	409,4	387,1	401,4	376,3
Provision for losses at 1 July	-10,0	-20,9	-9,7	-19,9
Losses and write-downs identified for the year	3,6	10,2	3,5	-
Reversed impairment write-downs	-	0,6	-	10,2
Impairment losses for the year	-1,5	-	-1,2	-
Provision for losses at 30 June	-7,9	-10,1	-7,4	-9,7

All receivables fall due within one year.

Interest income regarding receivables written down constitutes insignificant amounts.

For a description of credit risks, please see note 20.

12 Contract assets and liabilities

Selling price of contract assets	1.573,1	1.399,8	1.480,1	1.323,2
Progress billings, contract assets	-1.444,9	-1.260,8	-1.351,2	-1.185,0
	128,2	139,0	128,9	138,2

The net value is recognised in the balance sheet as follows:

Contract assets	234,7	228,6	231,5	226,0
Contract liabilities	-106,5	-89,6	-102,6	-87,8
	128,2	139,0	128,9	138,2

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
13 Corporation tax receivable/payable				
Corporation tax receivable/payable, 1 July	0,3	-1,3	-	-
Current tax for the year	-0,1	-0,4	-	-
Corporation tax paid in the year	0,2	2,0	-	-
Corporation tax receivable/payable, 30 June	0,4	0,3	-	-
Can be specified as follows:				
Other receivables	0,4	0,3	-	-
	0,4	0,3	-	-
14 Prepaid expenses				
Insurance	11,7	15,5	11,7	15,5
Membership subscription	12,1	58,1	12,1	58,1
Subscriptions and membership fees	6,3	5,4	6,3	5,4
Other	-	0,2	-	0,2
	30,1	79,2	30,1	79,2

15 Equity

The share capital consists of 1 share of DKK 100 million, which is owned by Ernst & Young Partnership P/S.

No share certificate has been issued.

On 26 November 2018, the Company distributed ordinary dividend of DKK 29.8 million. Distribution of dividend has not tax consequences for the Company.

For the financial year 2018/19, the Board of Directors proposes dividend of DKK 30.4 million, which will be paid out to the shareholders immediately after the Company's annual general meeting provided that the annual general meeting approves the proposed dividend. Dividend has not been recognised as a liability in the balance sheet at 30 June 2019 as it is contingent on approval by the annual general meeting.

The proposed dividend amounts to DKK 30.4 million per share.

Group and Parent Company

	2018/19 DKKm
16 Provisions	
Provision for professional liability claims, 1 July	4,3
Reversed in the period	-0,2
Provided for the period	1,0
Provision for professional liability claims, 30 June	5,1
Provision for jubilee benefits, 1 July	1,7
Utilised for the period	-0,1
Provided for the period	0,4
Provision for jubilee benefits, 30 June	2,0
Total provisions	7,1

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group and Parent Company
	2018/19
	DKKm
16 Provisions, continued	
Expected maturities for provisions:	
Short-term:	
0-1 year	4,8
Long-term:	
1-5 years	0,7
> 5 years	1,6
	7,1

For professional liability claims, a provision has been made for losses on known and potential claims for damages based on an assessment of the known facts of the individual cases. The provision relates to both assurance engagements and consultant's liability and is a result of either a judgment or criticism from a public authority. None of the cases resolved in the year resulted in a draw on the insurance cover. The liability comprises legal costs, including attorney's fees and expenses and any compensation after insurance cover, if relevant, has been set off. As disclosing information on expected compensation payments, etc., may be detrimental to the Group, the liabilities have been presented less insurance cover. The outcome and timing of the completion of compensation cases are inherently uncertain; however, it is expected that the liabilities will be settled within the next three to five years.

A jubilee benefit of DKK 8,000 is paid out after 25 and 40 years' employment. The provision for jubilee benefits is based on an actuarial calculation of the present value of the expected jubilee benefits. The provision has been calculated based on expected termination of employment.

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
	DKKm	DKKm	DKKm	DKKm
17 Other payables				
Holiday allowance, bonus and other staff obligations	204,7	194,0	194,0	183,7
VAT, PAYE tax, labour market contributions, etc.	60,8	56,5	60,8	56,5
Payables	7,3	8,0	7,1	7,8
	272,8	258,5	261,9	248,0
18 Adjustments				
Adjustment for non-cash operating items, etc.:				
Changes in prepaid expenses	49,1	-11,6	49,1	-11,6
Changes in provisions	1,1	-7,7	1,1	-7,7
Accrued interest	1,7	-2,2	1,7	0,9
Write-down of subsidiary	-	-	-	2,0
Taxation	0,1	0,5	-	-
	52,0	-21,0	51,9	-16,4
19 Changes in working capital				
Changes in trade receivables	-22,3	6,7	-25,1	6,0
Changes in contract assets and liabilities	10,8	-11,6	9,3	-11,0
Changes in other receivables	3,8	11,7	3,9	11,7
Changes in trade payables	-9,0	-3,6	-9,0	-3,6
Changes in other liabilities	14,3	8,6	13,9	9,4
	-2,4	11,8	-7,0	12,5

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19 DKK'000	2017/18 DKK'000	2018/19 DKK'000	2017/18 DKK'000
20 Contractual obligations, contingent liabilities and collateral				
Contractual obligations				
<i>Lease commitments</i>				
Leases have been entered into outside the leasehold agreement.				
Expected maturities for lease commitments:				
Short-term:				
Maturity < 1 year	2,2	2,1	2,0	1,9
Long-term:				
Maturity 1-5 years	1,7	2,3	1,6	2,3
	3,9	4,4	3,6	4,2

The total lease payment recognised as costs for the year	3,1	2,3	2,4	1,5
--	-----	-----	-----	-----

Lease and license agreement

The Company pays consideration for the lease and license agreement entered into between Ernst & Young Partnership P/S and the Group/Parent Company. The consideration comprises a revenue-based lease and license fee and a fixed fee related to the right of use to Ernst & Young Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by Ernst & Young Partnership P/S. The right of use to non-current assets, including assets held under rental agreements, licence agreements and leases, is solely subject to minimum payments.

The lease and license agreement is terminable by either party at one year's notice and will then terminate on 31 December. The notice of termination comprises all components of the lease and license agreement, including the rights of use to Ernst & Young Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by Ernst & Young Partnership P/S. The agreement is subject to standard termination clauses on non-performance in accordance with the leasehold agreement.

The minimum payments for the fixed element of the lease and license agreement regarding payment for the right to use non-current assets, including assets subject to rental, licence and lease agreements, amount to:

Short-term:				
Maturity < 1 year	67,3	61,5	67,3	61,5
Maturity > 1 year	33,6	30,7	33,6	30,7
	100,9	92,2	100,9	92,2

The total payment recognised as costs, including the variable element regarding the lease and license agreement, for the year amounts to	81,4	74,6	81,4	74,6
--	------	------	------	------

The full amounts relate to the lease and license agreement with the Parent Company.

Contingent liabilities

The Group and the Parent Company are parties to a few pending disputes. In Management's opinion, the outcome of these disputes will not affect the Group's or the Parent Company's financial position taking into consideration the liabilities recognised in the balance sheet at 30 June 2019; see note 16.

The Group and the Parent Company are liable for the VAT liability of the jointly registered EY firms. The liability amounted to DKK 60.8 million at 30 June 2019.

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
Collateral				
<i>Charged assets:</i>				
All shares in EY Net Source A/S have been charged to the Parent Company. The Parent Company has a contingent option to purchase the shares in EY Net Source A/S	2,2	2,2	2,2	2,2
	2,2	2,2	2,2	2,2

21 Financial risks and financial instruments

The Group's risk management policy

Due to its operations, investments and financing, the Group is exposed to financial risks, including to a limited extent market risks (currency and interest rate risks) and liquidity risks and to a larger extent credit risks.

The Group's financial risk management is centralised. Management continuously monitors the Group's risk concentration on clients.

It is the Group's policy not to engage in active speculation in financial risks. The Group's financial management is thus solely aimed at managing and reducing the financial risks directly attributable to the Group's operations, investments and financing.

Market risk

Currency

The Group's sales transactions are, in all material respects, carried out in Danish kroner. Approx. 15% of the total receivable from invoicing of clients relates to amounts in foreign currencies (primarily USD and EUR).

Fees for services provided abroad primarily relate to contributions to EY Global, premium for indemnity insurance and procurement of services from other EY member firms. The transactions are primarily carried out in USD and EUR.

The currency risk is not considered material enough to hedge the transactions. Realistic changes to exchange rates at the balance sheet date will have an immaterial effect on the Group's results and equity.

Interest

Receivables from other related parties in Denmark and payables to group entities in Denmark as well as deposits with banks carry variable interest. An increase in interest rates of 1% will result in a net interest expense of DKK 1.4 million.

Capital management

It is group policy that earnings are regularly distributed as dividend to the Parent Company to the extent possible. Group Management continuously monitors the Group's capital structure.

Credit risk

The Group's credit risks relate to trade receivables and, to a minor extent, cash at bank and in hand. The maximum credit risk related to trade receivables and deposits with banks corresponds to the carrying amount of these items.

Deposits with banks

It is the Group's assessment that bank deposits are not associated with any special credit risks as the Group only has deposits with large established banks.

Trade receivables

Outstanding receivables are followed up upon centrally on an ongoing basis in accordance with the Group's policy for trade receivables. In case of uncertainty as to the client's ability or willingness to pay and if it is deemed that the claim involves a risk, write-down is made to the expected recoverable amount.

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19 DKKm	2017/18 DKKm	2018/19 DKKm	2017/18 DKKm
21 Financial risks and financial instruments, continued				
Write-down has been made to cover the current loss risk by	7,9	10,1	7,4	9,7
The ageing of trade receivables can be specified as follows:				
Not past due	375,7	363,3	368,1	352,7
1-30 days	24,5	11,2	24,4	10,7
30-90 days	7,1	7,3	7,0	7,5
91-180 days	2,5	4,8	2,3	4,7
More than 180 days	7,5	10,6	7,0	10,4
	417,3	397,2	408,8	386,0

With the implementation of IFRS 9, EY has applied the simplified expected loss model to measure the expected credit loss allowance for all trade receivables. In 2017/18, the incurred loss model was used for impairment of receivables. Based on the low realised losses on receivables historically, adjusting to reflect current and forward-looking information on macroeconomic factors affecting the ability of clients to settle the receivable such as GDP and unemployment rates does not increase the risk of losses significantly. The low risk is further supported by the compilation of immaterial amounts. The transition to the expected loss model did not have a material impact, mainly due to the low historically realised losses.

Insurance

The Group is covered by insurance in all respects, including professional liability. The Group only cooperates with established insurance companies, and it is assessed that there is no risk associated with the credit quality of the insurance companies used.

Liquidity risk

The Group primarily finances its activities via balances with the Parent Company.

The Group's financial assets and liabilities fall due for payment as specified below where the amounts reflect the non-discounted nominal amounts falling due for payment in accordance with the concluded agreements, including future interest payments, calculated based on current market conditions.

Methods and assumptions underlying the fair value measurement:

Financial assets and liabilities with short credit periods (less than one year)

It is assessed that the fair value of all the Group's financial assets and liabilities with short credit periods corresponds to the carrying amount.

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

Group				
DKKm	0-1 year	Total	Total fair value	Carrying amount
21 Financial risks and financial instruments, continued				
Liquidity risk, continued				
List of maturities at 30 June 2019				
Trade payables	32,1	32,1	32,1	32,1
Payables to group entities	200,3	200,3	200,3	200,3
Payables to other EY firms	61,5	61,5	61,5	61,5
Total financial liabilities	293,9	293,9	293,9	293,9
Trade receivables	409,4	409,4	409,4	409,4
Receivables from group entities	-	-	-	-
Receivables from other EY firms	105,5	105,5	105,5	105,5
Other receivables	0,4	0,4	0,4	0,4
Cash	12,1	12,1	12,1	12,1
Total financial assets	527,4	527,4	527,4	527,4
List of maturities at 30 June 2018				
Trade payables	41,1	41,1	41,1	41,1
Payables to group entities	231,7	231,7	231,7	231,7
Payables to other EY firms	96,1	96,1	96,1	96,1
Total financial liabilities	368,9	368,9	368,9	368,9
Trade receivables	387,1	387,1	387,1	387,1
Receivables from group entities	-	-	-	-
Receivables from other EY firms	115,3	115,3	115,3	115,3
Other receivables	4,2	4,2	4,2	4,2
Cash	21,5	21,5	21,5	21,5
Total financial assets	528,1	528,1	528,1	528,1

Consolidated financial statements and parent company financial statements

1 July 2018 – 30 June 2019

NOTES

Parent				
DKKm	0-1 year	Total	Total fair value	Carrying amount
21 Financial risks and financial instruments, continued				
Liquidity risk, continued				
List of maturities at 30 June 2019				
Trade payables	32,1	32,1	32,1	32,1
Payables to group entities	204,1	204,1	204,1	204,1
Payables to other EY firms	61,5	61,5	61,5	61,5
Total financial liabilities	297,7	297,7	297,7	297,7
Trade receivables	401,4	401,4	401,4	401,4
Receivables from other EY firms	105,5	105,5	105,5	105,5
Other receivables	-	-	-	-
Cash	11,2	11,2	11,2	11,2
Total financial assets	518,1	518,1	518,1	518,1
List of maturities at 30 June 2018				
Trade payables	41,1	41,1	41,1	41,1
Payables to group entities	232,0	232,0	232,0	232,0
Payables to other EY firms	96,1	96,1	96,1	96,1
Total financial liabilities	369,2	369,2	369,2	369,2
Trade receivables	376,3	376,3	376,3	376,3
Receivables from other EY firms	115,3	115,3	115,3	115,3
Other receivables	3,9	3,9	3,9	3,9
Cash	20,2	20,2	20,2	20,2
Total financial assets	515,7	515,7	515,7	515,7

Consolidated financial statements and parent company financials

1 July 2018 – 30 June 2019

NOTES

	Group		Parent	
	2018/19	2017/18	2018/19	2017/18
	DKKm	DKKm	DKKm	DKKm

22 Related parties

Ernst & Young Godkendt Revisionspartnerselskab's related parties comprise the following:

Parties exercising control

Ernst & Young Partnership P/S

Other related parties

Komplementarselskabet af 1. januar 2008 Statsautoriseret Revisionsaktieselskab

EY Net Source A/S

EY Grønland Godkendt Revisionsanpartsselskab

EY Ejendommen Flintholm K/S under frivillig likvidation

Ernst & Young Danmark A/S

Ernst & Young Europe ApS

EY Komplementarselskabet Ejendommen Flintholm A/S under frivillig likvidation

A/S af 18/6-1992 Statsautoriseret Revisionsaktieselskab

The Company's ultimate parent company is Ernst & Young Partnership P/S.

Ernst & Young Godkendt Revisionspartnerselskab is included in the consolidated financial statements of Ernst & Young Partnership P/S.

The consolidated financial statements may be obtained from the Company.

Key management personnel

Key management personnel is defined as the Parent Company's Board of Directors and Executive Board. Key management personnel has not had any transactions with the Company apart from remuneration; see note 6.

Related party transactions

In addition to transactions with key management personnel, see above, the Group and the Parent Company have had the following related party transactions:

Transactions with the Parent Company

Expenses

Consideration according to leasehold agreement	81,4	74,6	81,4	74,6
--	------	------	------	------

Interest expenses, group entities	1,6	-	1,6	-
-----------------------------------	-----	---	-----	---

Other transactions

Distributed dividend	29,8	25,1	29,8	25,1
----------------------	------	------	------	------

22 Related parties, continued

Transactions with other related parties

Income

Management fees	-	0,1	6,3	6,1
-----------------	---	-----	-----	-----

Interest income, other related parties	-	1,6	-	1,6
--	---	-----	---	-----

Expenses

Consideration, general partner liability	0,1	0,1	0,1	0,1
--	-----	-----	-----	-----

Dividends received	-	-	1,7	4,9
--------------------	---	---	-----	-----

23 New accounting regulation

At the date of the annual report for 2018/19, IASB and IFRIC have issued a number of new standards and interpretations as well as amendments that will take effect for financial years beginning after 30 June 2019, including IFRS 16 *Leases*.

IFRS 16 *Leases*, which will take effect for financial years beginning on or after 1 January 2019, implies a substantial change in the way that leases that are currently accounted for as operating leases must be accounted for in future. Thus, the standard requires that all leases regardless of type – with a few exceptions – must be recognised in the balance sheet as an asset with an accompanying lease liability. At the same time, the income statement will be affected going forward, as the annual lease payment will consist of two elements – a depreciation charge and an interest expense – as opposed to today where the annual operating lease expense is recognised as one amount under operating expenses.

In 2019, EY carried out a detailed analysis of the implications of the new standard for the Group. The Group plans to implement IFRS 16 using the modified retrospective transitional method according to which the effect of the transition is recognised in the opening equity at 1 July 2019 without restatement of comparative figures.

In accordance with the transitional provisions of IFRS 16, the Group plans to use the following transitional provisions when implementing the standard:

- Not to recognise leases with a term of less than 12 months
- Not to reassess whether a contract is or comprises a lease
- To determine a discount rate on a portfolio of leases with similar characteristics.

When assessing the expected lease term, the Group identified the non-cancellable lease term in the lease plus periods covered by an extension option that Management is reasonably likely to exercise and plus periods covered by a termination option that Management is reasonably unlikely to exercise.

For leases on equipment, the Group has assessed that the expected lease term is the non-cancellable lease term in the leases, as the Group has not historically exercised the extension options in similar leases.

When assessing the expected term of rental agreements on properties, the Group assesses the term for office premises at 1-11 years.

When discounting the lease payments to present value, the Group used its incremental borrowing rate, which is the costs of obtaining external financing for a corresponding asset with a financing period corresponding to the term of the lease.

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. For more information about our organization, please visit ey.com.

© 2019 Ernst & Young P/S, CVR no 30700228
All Rights Reserved.

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax or other professional advice. Please refer to your advisors for specific advice.

ey.com/dk

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registeret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Torben Poul Bender

Direktion

På vegne af: ERNST & YOUNG P/S

Serienummer: PID:9208-2002-2-361699728592

IP: 145.62.xxx.xxx

2019-11-12 11:01:11Z

NEM ID 

Mona Bloend

Bestyrelse

Serienummer: CVR:30700228-RID:1267704642700

IP: 145.62.xxx.xxx

2019-11-12 11:59:23Z

NEM ID 

Mette Storm

Bestyrelse

På vegne af: Ernst & Young P/S

Serienummer: PID:9208-2002-2-008732543395

IP: 145.62.xxx.xxx

2019-11-12 12:16:06Z

NEM ID 

Mikkel Sthyr

Bestyrelse

Serienummer: PID:9208-2002-2-050812743782

IP: 145.62.xxx.xxx

2019-11-14 11:43:38Z

NEM ID 

Per Frost Jensen

Statsautoriseret revisor

På vegne af: BDO

Serienummer: CVR:20222670-RID:1114063996968

IP: 77.243.xxx.xxx

2019-11-14 11:58:32Z

NEM ID 

Carsten Strunk

Dirigent

På vegne af: ERNST & YOUNG P/S

Serienummer: CVR:30700228-RID:78725949

IP: 145.62.xxx.xxx

2019-11-14 12:04:20Z

NEM ID 

Penneo dokumentnøgle: VCBA1-JTD8T-IQY4Z-Z3KDC-O2HW1-SV314

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempelt med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service** <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validate>