Annual Report 2021/2022

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EY Partnership P/S
Dirch Passers Allé 36 | 2000 Frederiksberg
CVR-nr. 35 68 31 94

Building a better working world

Contents

Financial highlights, Group

FINANCIAL HIGHLIGHTS, GROUP DKKm	2021/22	2020/21	2019/20	2018/19*)	2017/18*)
Key figures					
Revenue	2,699	2,303	2,083	1,952	1,832
Operating profit/loss	73	99	41	67	70
Profit/loss after special items	73	99	41	67	70
Net financials	-1	-14	-7	-7	-14
Profit/loss before tax	72	84	35	61	56
Profit/loss for the year	71	83	33	61	56
Comprehensive income for the year	71	83	33	61	56
Non-current assets	423	442	404	183	187
Current assets	1,261	1,079	961	812	873
Total assets	1,684	1,521	1,364	995	1,060
Share capital	5	5	5	5	5
Equity	133	97	58	86	77
Non-current liabilities	458	327	343	70	62
Current liabilities	1,094	1,097	963	840	920
Cash flows from operating activities	83	49	322	104	-62
Cash flows from investing activities, net	-16	-35	-64	-15	1,028
Amount relating to investments in property, plant and equipment	0	-35	-58	-15	-19
Cash flows from financing activities	30	32	-150	-99	-973
Total cash flows	97	45	109	-10	-8
Financial ratios					
Current ratio	115.3	98.3	102.8	96.7	94.7
Solvency ratio	7.9	6.4	4.2	8.6	7.3
Return on equity	74.7	107.4	49.4	112.4	112.4
Number of employees (incl. Equity partners):					
Average number of full-time employees	1,643	1,550	1,623	1,633	1,629
Number of full-time employees at year end	1,709	1,532	1,577	1,616	1,647
Number of employees at year end	1,878	1,634	1,690	1,727	1,747

Financial ratios are calculated in accordance with the definitions in note 1.

*) The numbers are not adjusted after implementation of IFRS 16.

Management's review

Principal activities

The EY Group's activities in Denmark comprise the entity EY Partnership P/S with the subsidiary EY Godkendt Revisionspartnerselskab Group.

The operating activities are carried out in EY Godkendt Revisionspartnerselskab, including its subsidiaries Datoselskabet af 18/10 2022 A/S and EY Grønland Statsautoriseret Revisionsanpartsselskab. The Parent Company acts as holding company without external activities. EY Partnership P/S is owned by the Danish partners.

The Group provides professional services in Denmark within our four service lines – Assurance, Consulting, Tax & Law and Strategy and Transformation.

The annual report covers the period 1 July 2021 – 30 June 2022. The annual report has been prepared in accordance with IFRS as adopted by the EU and Danish disclosure requirements under the Danish Financial Statements Act.

Financial performance

In the accounting period, the EY Group realised revenue totalling DKK 2,699 million compared to DKK 2,303 million in 2020/21. The development in revenue is satisfactory, and the year's growth rate of 17.2% exceeds expectations. Revenue has increased in all service lines – most notably in Consulting and Strategy & Transformation. The growth rate in revenue excl. client expenses is 14.9% and 17.2% incl. client expenses.

In the FY21 annual report EY expected an increase of 5-7% in revenue for 2021/22. All the service lines have met the expectations with some of service lines realizing double digit growth due to growth in new clients and engagements.

Other operating income, net amounts to DKK 12 million (2020/21: DKK 20 million). This includes items of secondary nature including canteen sales and gain on sale of assets.

Operating expenses for the year, comprising other external expenses and staff costs, total DKK 2,581 million (2020/21: DKK 2,166 million). This includes staff costs totalling DKK 1,609 million (2020/21: DKK 1,389 million), which include 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 Group.

The increase in operational expenses can be attributed to increased number of employees and increased use of EY's shared service centres.

The average number of employees (including partners) is 1,643 (2020/21: 1,550). The number of employees at year-end is 1,878 (2020/21: 1,538).

Profit before tax amounts to DKK 71 million (2020/21: DKK 83 million) which is a bit lower compared to expectations in last year's annual report. The profit development is considered satisfactory under the market circumstances.

Cash flows for the year

Cash flows from operating activities for the year amount to DKK 47 million (2020/21: DKK 49 million).

Balance sheet and capital structure

EY's total assets amount to DKK 1,684 million (2021: DKK 1,521 million), of which current assets amount to DKK 1,261 million (2021: DKK 1,079 million). Current assets primarily comprise trade receivables and contract assets as well as other receivables. Non-current assets totalling DKK 423 million (2020: DKK 442 million) mainly consists of intangible assets and Right-of-Use assets. The increase is due to improved cash position and an increase in Trade receivables/contract assets. However, EY have realised a 17.2% increase without a similar increase in Trade receivable/contract assets.

Non-current liabilities amount to DKK 458 million (2020: DKK 327 million), which include lease liabilities and subordinated loans from partners in 2021/22.

Current liabilities amount to DKK 1,094 million (2021: DKK 1,094 million) and include short-term payables to the Company's partners, payables to foreign EY firms, contract liabilities, staff obligations, trade payables and other payables.

EY's equity amounts to DKK 133 million, corresponding to an equity ratio of 7.2% (2021: 6.4%). A significant part of the

Group's financing comprises payables to partners or payables secured by partners by means of absolute guarantees. If these items are included in equity, the equity ratio will amount to 42% (2020: 35%).

No significant acquisitions of activities were made during the year.

Financial risks and the Group's risk management policy

Financial risks and the Group's risk management policy is described in note 28 in the annual report.

Sustainability report cf. section 99a

EY's sustainability approach and progress on sustainability priorities are described in a separate sustainability report. Pursuant to section 99a of the Danish Financial Statements Act, the 2021/22 sustainability report is available on EY's website at www.ey.com/da_dk/aarsrapport-og-gennemsigtighedsrapport

Diversity cf. section 99b

EY's diversity approach is described in the sustainability report. Pursuant to section 99b of the Danish Financial Statements Act, the 2021/22 sustainability report is available on EY's website at www.ey.com/da_dk/aarsrapport-og-gennemsigtighedsrapport

People

We are what our people make us – it is crucial to EY that our people feel they belong so that they can develop and thrive. The job is not just a job; people seek purpose and a sustainable balance between work and life in a sometimes-stressful work environment. The trend is high competition for the best people and a high employee turnover in the market. Therefore, listening to and meeting current and potential employee needs is fundamental to retaining the best people in a market with high competition for talent.

For further description we refer to the sustainability report that is available on EY's website at www.ey.com/da_dk/aarsrapport-og-gennemsigtighedsrapport

Data Ethics cf. section 99d

EY's data ethics is described in the sustainability report. Pursuant to section 99d of the Danish Financial Statements Act, the 2021/22 sustainability report is available on EY's website at www.ey.com/da_dk/aarsrapport-og-gennemsigtighedsrapport

Outlook

For the financial year 2022/23, we expect growth of 5-7% in revenue across all service lines for the Group. Our outlook can however be affected by the expected downturn in the Danish economy.

Profit for the year in 2022/23 is expected to be approx. DKK 70 million.

Parent Company

The Parent Company's activities comprise lease of equipment and clients. All the Company's leased assets are subleased to EY Godkendt Revisionspartnerselskab. The Parent Company receives lease and license fee from EY Godkendt Revisionspartnerselskab as payment for using these. Moreover, the Parent Company provides financing to the Group. In addition, the Parent Company holds all equity investments in EY Godkendt Revisionspartnerselskab.

The Parent Company reported a profit of DKK 74 million for 2021/22 against a profit of DKK 40 million for 2020/21. The results are affected by an increase in dividend from the subsidiary. The results for the year are considered satisfactory.

Profit for the year in 2022/23 is expected to be approx. DKK 70 million.

Subsequent events

The subsidiary EY Godkendt Revisionspartnerselskab has on 15 August 2022 completed the acquisition of all the activities of Tofte & Company, a leading Nordic boutique investment bank specializing in advising tech companies. Reference is made to note 27.

EY Global Executive (global leadership in EY) has in September 2022 decided to move forward with plans to separate EY into two distinct multidisciplinary organizations – a simplified, more agile, global network of multidisciplinary member firms committed to assurance, tax and advisory services with all the capabilities required to deliver high-quality audits, serve the public interest, and focus on the CFO agenda and sustainability; and a new global corporate entity providing Consulting, the majority of Tax, Strategy and Transactions, and managed services.

The proposal needs to be approved by the partners in each country. In Denmark the partners are expected to vote on the proposal in the Spring 2023.

At the annual general meeting on 16 December 2022, the Supervisory Board will propose an increase of the contingent contribution liability to DKK 1.050 million.

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

Company details

EY Partnership P/S
Dirch Passers Allé 36
P.O. Box 250
DK-2000 Frederiksberg

Telephone:	+45 73 23 30 00
Website	www.ey.com/dk
CVR no.	35 68 31 94
Established:	6 March 2014
Registered office	Copenhagen
Financial year	1 July – 30 June

Supervisory Board
Torben Bender (chair)
Mona Blønd (vice chair)
Hanne Kærhøg
Mikkel Sthyr
Carina Marie G. Korsgaard

Executive Board
Jan Huusmann
Jan C. Olsen

General partner
Komplementarselskabet af 1. januar 2008 A/S
Dirch Passers Allé 36
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 16 December 2022

Statement by Management

The Supervisory Board and the Executive Board have today discussed and approved the annual report of EY Partnership P/S for the financial year 1 July 2021 – 30 June 2022.

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 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 July 2021 – 30 June 2022.

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, 16 December 2022

Executive Board

Jan Huusmann
CEO and Country Managing Partner

Jan C. Olsen
CEO and Assurance Leader

Supervisory Board

Torben Bender
Chair

Mona Blønd
Vice chair

Hanne Kærhøg

Mikkel Sthyr

Carina Marie G. Korsgaard

Independent auditor's report

To the shareholders of EY Partnership P/S

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 EY Partnership P/S for the financial year 1 July 2021 – 30 June 2022, 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 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 July 2021 – 30 June 2022 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 the 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 Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 company 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 company 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, 16 december 2022

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Per Frost Jensen
State Authorised
Public Accountant
MNE no. 27740

STATEMENT OF COMPREHENSIVE INCOME

		Group		Parent	
		2021/22	2020/21	2021/22	2020/21
Notes		DKKm	DKKm	DKKm	DKKm
3	Revenue	2,699.4	2,302.8	20.2	17.8
4	Other operating income	12.4	19.7	1.8	13.4
	Income	2,711.8	2,322.5	22.0	31.2
5	Other external expenses	-971.5	-777.1	-2.4	-2.6
6	Staff costs	-1,609.0	-1,389.2	-	-
7	Amortisation and depreciation	-58.1	-57.7	-0.6	-0.6
	Operating profit/loss	73.2	98.5	19.0	28.0
	Dividend from subsidiary	-	-	58.3	15.6
8	Financial income	14.1	0.1	4.9	2.8
9	Financial expenses	-15.5	-14.3	-8.3	-6.1
	Profit/loss before tax	71.8	84.3	73.9	40.3
10	Tax for the year	-0.6	-1.2	-	-
	Profit/loss for the year	71.2	83.1	73.9	40.3
	Other comprehensive income after tax	-	-	-	-
	Comprehensive income for the year	71.2	83.1	73.9	40.3

BALANCE SHEET

Notes		Group 30-06-2022 DKKm	Group 30-06-2021 DKKm	Parent 30-06-2022 DKKm	Parent 30-06-2021 DKKm
	ASSETS				
	Non-current assets				
11	Intangible assets	126.2	126.8	126.2	126.8
13	Property, plant and equipment	79.2	78.5	-	-
14	Right-of-use assets	194.7	206.7	-	-
14	Leasing receivables	-	-	193.9	201.8
15	Equity investment in subsidiary	-	-	361.1	111.1
15	Investments in other entities	5.6	5.6	5.6	5.6
15	Deposits	17.4	24.4	17.1	24.1
	Total non-current assets	423.1	442.0	703.9	469.4
	Current assets				
16	Trade receivables	608.8	511.3	-	-
17	Contract assets	245.4	269.2	-	-
	Receivables from group entities	0.9	1.3	132.8	272.3
	Receivables from other EY firms	63.7	71.0	-	0.8
	Other receivables	0.1	7.5	-	7.2
18	Prepaid expenses	78.5	51.7	11.2	2.7
	Cash	263.7	166.5	30.9	1.3
	Total current assets	1,261.1	1,078.5	174.9	284.3
	TOTAL ASSETS	1,684.2	1,520.5	878.8	753.7

BALANCE SHEET

		Group		Parent	
		30-06-2022	30-06-2021	30-06-2022	30-06-2021
Notes		DKKm	DKKm	DKKm	DKKm
	EQUITY AND LIABILITIES				
19	Equity				
	Share capital	5.0	5.0	5.0	5.0
	Retained earnings	53.7	56.4	5.0	5.0
	Proposed dividend	73.9	35.3	73.9	35.3
	Total equity	132.6	96.7	83.9	45.3
	Liabilities				
	Non-current liabilities				
20	Provisions	21.8	16.1	-	-
14	Lease liabilities	188.5	199.0	185.2	193.7
	Deposits	0.1	0.2	0.1	0.2
21	Loans from the partners of the Company	152.0	-	152.0	-
22	Other non-current liabilities	95.1	111.7	-	-
	Total non-current liabilities	457.5	327.0	337.3	193.9
	Current liabilities				
20	Provisions	0.1	1.1	-	-
14	Lease liabilities	33.6	36.1	30.8	32.8
22	Other non-current liabilities	0.2	0.7	-	-
17	Contract liabilities	137.1	141.7	-	-
	Trade payables	36.9	18.8	4.7	1.1
	Payables to group entities	27.4	25.4	27.4	32.7
	Payables to other EY firms	157.0	125.0	-	0.2
21	Loans from the partners of the Company	389.7	441.4	389.7	441.4
	Corporation tax	0.5	1.0	-	-
24	Other payables	311.6	305.6	5.0	6.3
	Total current liabilities	1,094.1	1,096.8	457.6	514.5
	Total liabilities	1,551.6	1,423.8	794.9	708.4
	TOTAL EQUITY AND LIABILITIES	1,684.2	1,520.5	878.8	753.7

STATEMENT OF CHANGES IN EQUITY

Group				
DKKm	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2020	5.0	8.6	44.1	57.7
Comprehensive income				
Profit/loss for the year	-	47.8	35.3	83.1
Total comprehensive income for the period	-	47.8	35.3	83.1
Transactions with owners				
Distributed dividend	-	-	-44.1	-44.1
Total transactions with owners	-	-	-44.1	-44.1
Equity at 30 June 2021	5.0	56.4	35.3	96.7
Comprehensive income				
Profit/loss for the year	-	-2.7	73.9	71.2
Total comprehensive income for the period	-	-2.7	73.9	71.2
Transactions with owners				
Distributed dividend	-	-	-35.3	-35.3
Total transactions with owners	-	-	-35.3	-35.3
Equity at 30 June 2022	5.0	53.7	73.9	132.6

Parent				
DKKm	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2020	5.0	-	44.1	49.1
Comprehensive income				
Profit/loss for the year	-	5.0	35.3	40.3
Total comprehensive income for the period	-	5.0	35.3	40.3
Transactions with owners				
Distributed dividend	-	-	-44.1	-44.1
Total transactions with owners	-	-	-44.1	-44.1
Equity at 30 June 2021	5.0	5.0	35.3	45.3
Comprehensive income				
Profit/loss for the year	-	-	73.9	73.9
Total comprehensive income for the period	-	-	73.9	73.9
Transactions with owners				
Distributed dividend	-	-	-35.3	-35.3
Total transactions with owners	-	-	-35.3	-35.3
Equity at 30 June 2022	5.0	5.0	73.9	83.9

CASH FLOW STATEMENT

Notes		Group 2021/22 DKKm	Group 2020/21 DKKm	Parent 2021/22 DKKm	Parent 2020/21 DKKm
	Profit before tax	71.2	83.1	73.9	40.3
25	Adjustments	36.2	111.4	-4.5	12.9
26	Changes in working capital	-22.2	-130.5	10.1	-1.0
	Cash generated from operations	*85.2*	*64.0*	*79.5*	*52.2*
	Interest received	14.1	0.1	4.9	2.8
	Interest paid	-15.5	-14.3	-8.3	-6.1
	Cash generated from operations (ordinary activities)	*83.8*	*49.8*	*76.1*	*48.9*
	Corporation tax paid	-1.1	-1.3	-	-
	Cash flows from operating activities	82.7	48.5	76.1	48.9
	Payment of deposits	6.9	0.6	6.9	0.6
	Acquisition/disposal of intangible assets	-	-	-	-
	Acquisition/disposal of property, plant and equipment	-24.4	-35.9	-	-
	Disposal of property, plant and equipment	2.0	-	-	-
	Changes in related party balances	-	-	-86.6	-85.9
	Cash flows from investing activities	-15.5	-35.3	-79.7	-85.3
	Changes in loans from the partners	100.3	116.0	100.3	116.0
	Repayment of leasing liabilities	-35.0	-39.9	-31.8	-36.2
	Distributed dividend	-35.3	-44.1	-35.3	-44.1
	Cash flows from financing activities	30.0	32.0	33.2	35.7
	Cash flows for the period	97.2	45.2	29.6	-0.7
	Cash and cash equivalents, beginning of year	166.5	121.3	1.3	2.0
	Cash and cash equivalents, year end	263.7	166.5	30.9	1.3

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

SUMMARY OF NOTES

Note 1
Accounting policies

Group
EY Partnership P/S is a limited partnership company with its registered office in Denmark. The annual report for the period 1 July 2021 – 30 June 2022 comprises the consolidated financial statements of EY Partnership P/S and its subsidiaries, EY Godkendt Revisionspartnerselskab, Datoselskabet af 18/10 2022 A/S and EY Grønland Statsautoriseret Revisionsanpartsselskab, and the parent company financial statements.

The consolidated financial statements and the parent company 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 16 December 2022 the Supervisory Board and the Executive Board discussed and approved the annual report for 2021/22. The annual report will be presented to the shareholders of EY Partnership P/S for approval at the annual general meeting on 16 December 2022.

Lease and licence agreement of the audit and advisory business
The Group carries on advisory and audit activities. The Group has entered into a lease and licence agreement with EY Danmark A/S, who owns some intangible assets. The lease and licence agreement implies that EY Danmark A/S passes on the right of use of the intangible assets.

The Group pays consideration for the lease and licence agreement entered into between EY Danmark A/S and the Group. The consideration comprises a revenue-based lease and licence fee.

The lease and licence 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 licence agreement. The agreement is subject to standard termination clauses on non-performance in accordance with the lease and licence 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. For standards implemented prospectively, comparative figures are not restated.

A few restatements of comparative figures have been incorporated.

Changes in accounting policies
The Group has implemented the standards and interpretations effective from 2021/22. None of these standards and interpretations have had a material effect on recognition and measurement in 2021/22 and are not expected to affect the Group going forward.

Description of accounting policies
Consolidated financial statements
The consolidated financial statements comprise the Parent Company, EY Partnership P/S, and its wholly-owned subsidiaries, EY Godkendt Revisionspartnerselskab, Datoselskabet af 18/10 2022 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 in accordance with 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

Revenue 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 revenue including revenue related to reinvoicing of worked performed by subsuppliers etc. 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 time 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 subsuppliers at the Group's expense and risk, i.e. where the Group is considered to be the principal in the transaction 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 and expenses

Other operating income and expenses 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, gain/loss on sale of assets, profit sharing and grants received.

Other external expenses

Other external expenses comprise outlays relating to clients 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, interest expenses on lease liabilities including interest expense on lease commitments, and exchange gains and losses on transactions denominated in foreign currencies etc.

Tax for the year

The Parent Company is not a taxable entity, and consequently, no taxes are recognised in the Parent Company's income statement.

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

Goodwill

Goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the acquisition date, which Management considers the individual business segments.

Other intangible assets

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised on a straight-line basis over the expected useful lives, which are as follows:

Non-competition clauses and client relations	3-10 years

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

Where individual components of an item of property, plant and equipment have different useful lives, they are depreciated separately.

Fixtures and fittings, tools and equipment are depreciated over 2-5 years.

Depreciation is calculated on the basis of the residual value and impairment losses, if any.

The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

When changing the depreciation period or the residual value, the effect on the depreciation is recognised prospectively as a change in accounting estimates.

Impairment testing of non-current assets

Goodwill

Goodwill is tested for indications of impairment annually, initially before the end of the acquisition year.

The carrying amount of goodwill in the business segments is tested for impairment together with the other non-current assets of the business segments and is written down to the recoverable amount over profit or loss if the carrying amount is higher. The recoverable amount is determined as the present value of the expected future net cash flows to which goodwill relates.

Other non-current assets

The carrying amount of other non-current assets is tested annually for indications of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the higher of an asset's fair value less expected costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or the cash-generating unit to which the asset belongs.

Recognition of impairment losses in the income statement

Any write-down is recognised in the income statement as depreciation, amortisation and impairment losses on non-current assets. However, impairment losses on goodwill are recognised in a separate line item in the income statement.

Impairment losses on goodwill are not reversed. Impairment losses recognised in respect of other assets are reversed in so far as the assumptions and estimates underlying the impairment losses have changed. Impairment losses are reversed only in so far as the new carrying amount of the asset does not exceed the carrying amount that would have resulted (net of amortisation or depreciation) had no impairment loss been recognised in respect of the asset in prior years.

Leases

Right-of-use assets and lease liabilities are recognised in the balance sheet when the right-of-use assets under a lease entered into regarding a specific identifiable asset is made available to the Group in the lease term, and when the Group in this connection obtains almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease liabilities are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognised as part of the lease liabilities:

- Fixed payments
- Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate
- Payments subject to an extension option that it is highly probable that the Group will exercise

Lease liabilities are measured at amortised cost according to the effective interest method. Lease liabilities are recalculated in case of changes to the underlying contractual cash flows stemming from changes to an index or an interest rate or in case the Group changes its assessment of the probability of utilisation of options under the lease.

On initial recognition, right-of-use assets are recognised at cost, which corresponds to the value of the lease liabilities. Subsequently, the assets are measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciation charges are recognised on a straight-line basis in the income statement.

Right-of-use assets are depreciated on a straight-line basis over the expected lease term, which is:

Office rental	2-11 years
Operating equipment	3-5 years

The Group presents the right-of-use asset and lease liabilities separately in the balance sheet.

The Group presents the right of use asset and the leasing liability separately in the balance sheet.

The Group has chosen not to recognise leased assets of a low value and short-term leases in the balance sheet. Instead, related lease payments are recognised on a straight-line basis in the income statement.

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 lifetime 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.

Acquisition costs and selling prices for treasury shares are recognised directly 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 credit institutions, 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.

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 and lease liabilities, repayment of interest-bearing debt, including lease liabilities, as well as payment of dividend to shareholders.

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

Financial ratios

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

Current ratio	$\dfrac{\text{Current assets x 100}}{\text{Current liabilities}}$
Solvency ratio	$\dfrac{\text{Equity at year end x 100}}{\text{Total liabilities at year end}}$
Return on equity	$\dfrac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

Parent Company

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

Lease and licence agreement

A lease and licence agreement has been entered into with EY Godkendt Revisionspartnerselskab. The lease and licence agreement implies that EY Partnership P/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 and advisory activities to the Group and that the Group has entered into the contracts, etc., related to the audit and advisory activities to EY Godkendt Revisionspartnerselskab, and that EY Godkendt Revisionspartnerselskab has entered into the contracts, etc., related to the audit and advisory activities.

EY Godkendt Revisionspartnerselskab pays consideration for the lease and licence agreement entered into between EY Partnership P/S and EY Godkendt Revisionspartnerselskab. The consideration comprises a revenue-based lease and licence fee and a fixed fee related to the right of use to EY Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by EY 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 licence 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 licence agreement, including the rights of use to EY Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by EY Partnership P/S. The agreement is subject to standard termination clauses on non-performance in accordance with the lease and licence agreement.

The Parent Company has assessed that the lease term of the sub-lease agreements entered into with EY Godkendt Revisionspartnerselskab as the lessee corresponds to the lease term of the head lease agreements entered into between The Parent Company and third party lessors as it is assessed that it is reasonable certain that the implicit renewal options of the assets in question in the lease and license agreement between the Parent Company and EY Godkendt Revisionspartnerselskab will be exercised.

Revenue

Revenue primarily comprises lease and licence fees from EY Godkendt Revisionspartnerselskab in accordance with agreements on payment of lease and licence fees.

Income from lease and licence fees are accrued and recognised in the period to which the underlying agreements relate.

Dividends from subsidiaryDistribution of retained earnings in the subsidiary 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 investment in subsidiaryEquity investment in subsidiary 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. EY Partnership P/S' special risks are described in the Management's review and note 28 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 17 for an overview of contract assets at 30 June.

Leases and lease and licence agreement
Reference is made to the description in the accounting policies and note 14 regarding the estimate to treat the lease and licence agreement as a sub-lease where the conditions in the underlying agreements, including lease terms, are used for recognition in accordance with IFRS 16.

Trade receivables
The write-down is based on historical data based on expected losses over the total term of the receivable, corrected for estimates of the effect of expected changes in relevant parameters such as economic development.

Reference is made to the description in notes 16 and 28 regarding the risk in connection with trade receivables.

Professional liability claims
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.

The outcome and timing of the completion of compensation cases are inherently uncertain.

NOTES

3 Revenue

Revenue can be broken down by business segments as follows for 2021/22:

Group:	Revenue excl. Expenses	Expenses	Total
Assurance	1,010.5	43.0	1,053.5
Tax & Law	504.3	145.9	650.2
Consulting	376.8	192.5	569.3
Strategy & Transactions	334.8	91.6	426.4
	2,226.4	473.0	2,699.4

Revenue can be broken down by business segments as follows for 2020/21:

Group:	Revenue excl. Expenses	Expenses	Total
Assurance	949.4	47.3	996.7
Tax & Law	429.4	131.9	561.3
Consulting	309.1	107.1	416.2
Strategy & Transactions	249.4	79.2	328.6
	1,937.3	365.5	2,302.8

	Group	
	2021/22	2020/21
	DKKm	DKKm
Services recognised over time	2,563.4	2,260.1
Services recognised at a point of time	136.0	42.7
	2,699.4	2,302.8

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
	DKKm	DKKm	DKKm	DKKm
Revenue in the Parent Company can be specified as follows:				
Rental income (external lessees)	-	-	0.3	1.7
Lease of equipment and license fee	-	-	20.0	16.1
	-	-	20.3	17.8
4 Other operating income				
Gain on disposal of assets/activities	3.7	8.1	1.8	6.6
Other income	8.7	11.6	-	6.8
	12.4	19.7	1.8	13.4
5 Fees paid to auditor appointed at the annual general meeting				
Statutory audit	0.8	0.6	0.1	0.1
	0.8	0.6	0.1	0.1

		Group		Parent	
		2021/22	2020/21	2021/22	2020/21
		DKKm	DKKm	DKKm	DKKm
6	Staff costs				
	Wages, salaries and partner remuneration	1,498.4	1,303.4	-	-
	Pensions (defined contribution plans)	96.8	75.3	-	-
	Other social security costs	13.8	10.5	-	-
		1,609.0	1,389.2	-	-
	Number of employees (incl. Equity partners):				
	Average number of full-time employees	1,643	1,550	-	-
	Number of full-time employees at year end	1,709	1,532	-	-
	Number of employees at year end	1,878	1,634	-	-
	Number of Profit-sharing partners at year end	95	87	-	-
	Renumeration to the Executive Board and Key Management				
	Key Management	82.0	63.3	-	-
	Amount relating to Executive Board	23.3	18.5	-	-

The Parent Company's Board of Directors does not receive directors' remuneration.
Key Management includes the Executive Board, the Supervisory Board and the Service Line leaders.

		Group 2021/22 DKKm	Group 2020/21 DKKm	Parent 2021/22 DKKm	Parent 2020/21 DKKm
7	Depreciation and amortisation				
	Amortisation of intangible assets	0.6	0.6	0.6	0.6
	Depreciation on Right of Use assets	34.0	39.6	-	-
	Depreciation on other property, plant and equipment	23.5	17.5	-	-
		58.1	57.7	0.6	0.6
8	Financial income				
	Interest income, lease receivables	2.8	-	2.8	2.8
	Foreign exchange gains	11.2	0.1	-	-
	Interest income, other related parties	-	-	2.1	-
	Other financial income	0.1	-	-	-
		14.1	0.1	4.9	2.8
9	Financial expenses				
	Interest, non-current liabilities other than provisions	1.9	0.6	1.9	0.6
	Interest, leasing liabilities	5.8	3.0	2.8	2.8
	Interest expenses, group entities	0.3	0.1	0.4	0.8
	Partner and other interest expenses	7.1	4.2	3.1	1.9
	Foreign exchange losses	0.1	6.4	0.1	-
	Other financial expenses	0.3	-	-	-
		15.5	14.3	8.3	6.1

		Group		Parent	
		2021/22	2020/21	2021/22	2020/21
		DKKm	DKKm	DKKm	DKKm
10	Tax for the year				
	Current tax	0.6	1.2	-	-
		0.6	1.2	-	-
	Tax for the year can be specified as follows:				
	Profit/loss for the year before tax	71.8	84.3	73.9	40.3
	Amount relating to profit/loss for the year before tax in non tax liable entities	-70.6	-78.4	-73.9	-40.3
	Profit/loss for the year from subsidiaries that are tax liable entities	1.2	5.9	-	-
	Computed 22.0% tax on profit/loss before tax from Danish subsidiary	0.6	1.3	-	-
	Computed 26.6% tax on profit/loss before tax from Greenlandic subsidiary	-0.4	0.1	-	-
	Tax effect of:				
	Non-deductible expenses	-	-	-	-
	Reversal/Write-down of tax asset	0.4	-0.2	-	-
		0.6	1.2	-	-
	Effective tax rate in subsidiaries	50%	20%	-	-

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

Taxation of renumeration to partners (capital owners) which are included in staff costs are taxed at individual partner level as personal income.

	DKKm	Goodwill	Other intangible assets	Total
		Group/Parent		
11	Intangible assets			
	Cost at 1 July 2020	126.3	6.8	133.1
	Disposals for the period	-4.0	-	-4.0
	Cost at 30 June 2021	122.3	6.8	129.1
	Amortisation at 1 July 2020	-	1.7	1.7
	Amortisation for the year	-	0.6	0.6
	Amortisation at 30 June 2021	-	2.3	2.3
	Carrying amount at 30 June 2021	122.3	4.5	126.8
	Cost at 1 July 2021	122.3	6.8	129.1
	Disposals for the period	-	-	-
	Cost at 30 June 2022	122.3	6.8	129.1
	Amortisation at 1 July 2021	-	2.3	2.3
	Amortisation for the year	-	0.6	0.6
	Amortisation at 30 June 2022	-	2.9	2.9
	Carrying amount at 30 June 2022	122.3	3.9	126.2

	30-06-2022	30-06-2021
The carrying amount of goodwill is allocated to the following Service Lines:		
Assurance	76.5	76.5
Consulting	26.0	26.0
Strategy and Transformation	19.8	19.8
	122.3	122.3

Other intangible assets comprise buyout of non-competition clauses and client relations.

12 Impairment testing

At 30 June 2022, Management tested the carrying amount of goodwill for indication of impairment.

Goodwill relates to audit and advisory activities, including related clients, that are leased to EY Godkendt Revisionspartnerselskab.

When calculating the recoverable amount, future expected cash flows were used that can be derived from budgets for the coming financial year approved by Management. This budget has been projected for the following four financial years with estimated growth rates, etc., so that the budget and forecast period comprises five financial years. For accounting periods after the forecast period (the terminal period), estimated normalised cash flows have been extrapolated in the most recent forecast period.

When calculating the cash flows, remuneration of shareholding partners is included at an assessed value based on the average remuneration of non-shareholding partners.

The most significant uncertainties regarding the calculation of the recoverable amount relate to the determination of discount rates, growth rates and earnings margin in the budget and forecast period and in the terminal period.

The determined discount rate reflects the risk-free interest rate applicable at the balance sheet date and the specific risks associated with the non-current assets and cash flows of the individual business areas. The applied discount rates before tax are approx. 9-10%.

12 Impairment testing, continued

The growth rates and earnings margins applied are based on Management's expectations of the development in the individual business areas in the budget and forecast period and in the terminal period. The expectations are based on past experience, strategic goals, etc.

The determined growth rates in the terminal period are not expected to exceed the average long-term growth rates of the markets as a whole. The growth rates in the terminal period are 2%.

Our impairment test did not give rise to any need for impairment write-down.

Sensitivity analyses

It is Management's assessment that even material changes in the most significant assumptions will not result in impairment.

	DKKm	Group
13	Property, plant and equipment	
	Cost at 1 July 2020	113.0
	Additions for the period	35.1
	Disposals for the period	-28.3
	Cost at 30 June 2021	119.8
	Depreciation at 1 July 2020	52.1
	Depreciation for the year	17.5
	Depreciation, disposals	-28.3
	Depreciation at 30 June 2021	41.3
	Carrying amount at 30 June 2021	78.5
	Cost at 1 July 2021	119.8
	Additions for the period	24.4
	Disposals for the period	-22.3
	Cost at 30 June 2022	121.9
	Depreciation at 1 July 2021	41.3
	Depreciation for the year	23.5
	Depreciation, disposals	-22.1
	Depreciation at 30 June 2022	42.7
	Carrying amount at 30 June 2022	79.2
14	Leases	
	Right-of-use assets	
	Cost at 1 July 2020	217.1
	Additions for the year	66.5
	Disposals for the year	-19.1
	Cost at 30 June 2021	264.5
	Depreciation at 1 July 2020	37.3
	Depreciation for the year	39.6
	Depreciation, disposals	-19.1
	Depreciation at 30 June 2021	57.8
	Carrying amount at 30 June 2021	206.7

		Group
	DKKm	
14	Leases, continued	
	Cost at 1 July 2021	264.5
	Additions for the year	22.0
	Disposals for the year	-6.5
	Cost at 30 June 2022	280.0
	Depreciation at 1 July 2021	57.8
	Depreciation for the year	34.0
	Depreciation, disposals	-6.5
	Depreciation at 30 June 2022	85.3
	Carrying amount at 30 June 2022	194.7

	Parent
DKKm	
Lease receivables	
Carrying amount at 1 July 2020	170.2
Additions for the year	65.3
Instalments	-33.7
Carrying amount at 30 June 2021	201.8
Carrying amount at 1 July 2021	201.8
Additions for the year	21.3
Instalments	-29.2
Carrying amount at 30 June 2022	193.9

	2021/22	2020/21
Analysis of term to maturity	DKKm	DKKm
Due within 1 year	28.4	30.3
Due within 1-2 years	25.8	26.1
Due within 2-3 years	25.5	23.6
Due within 3-4 years	24.2	23.2
Due within 4-5 years	23.8	21.9
Due after 5 years	77.2	89.2
Total	204.9	214.3
Coherence between maturity analysis and net investment		
Nominal value of future minimum payments, see above	204.9	214.3
Amount relating to interest income included in minimum payments not yet recognised	-11.0	-12.5
Total	193.9	201.8

Additions for the year primarily relate to the new lease for the domiciles.

All lease receivables relate to the subsidiary EY Godkendt Revisionspartnerselskab, and consequently, no residual value of the lease has been recognised.

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
	DKKm	DKKm	DKKm	DKKm
14 Leases, continued Reference is made to note 2 for a description of the scope of the Group's leases, exposure to potential cash flows and process for determining the discount rate.				
Lease liabilities maturity				
Less than 1 year	33.8	34.7	31.0	33.0
Between 1-5 years	113.2	134.4	109.7	105.3
Exceeding 5 years	86.2	111.3	86.2	100.7
Total non-discounted lease liabilities at 30 June	233.2	280.4	226.9	239.0
Recognition of lease liabilities in the balance sheet				
Short-term	33.6	36.1	30.8	32.8
Long-term	188.5	199.0	185.2	193.7
Lease liabilities recognised in the balance sheet	222.1	235.1	216.0	226.5
Amounts recognised in the income statement (DKKm):				
Interest expenses relating to lease liabilities	3.0	3.0	2.8	2.8
Interest income related to lease receivables	-	-	2.8	2.8
Depreciations	34.0	-	39.6	-
Costs related to short-term leases (less than 12 months)	0.3	-	-	-
Costs related to leases of a low value	-	-	-	-

For 2021/22, the Group has paid DKK 38.1 milion (2020/21: DKK 42.9 million) in respect of leases, of which interest payments related to recognised lease liabilities amount to DKK 3.0 million (2020/21: DKK 3.0 million) and instalments on recognised lease liabilities amount to DKK 35.1 million (2020/21: DKK 39.9 million).

For 2021/22, the Parent has paid DKK 34.6 million (2020/21: DKK 39.0 million) in respect of leases, of which interest payments related to recognised lease liabilities amount to DKK 2.8 million (2020/21: DKK 2.8 million) and instalments on recognised lease liabilities amount to DKK 31.8 million (2019/20: DKK 36.2 million).

The Parent Company has assessed that the lease term of the sub-lease agreements entered into with EY Godkendt Revisionspartnerselskab as the lessee corresponds to the lease term of the head lease agreements entered into between The Parent Company and third party lessors as it is assessed that it is reasonable certain that the implicit renewal options of the assets in question in the lease and licenee agreement between the Parent Company and EY Godkendt Revisionspartnerselskab will be exercised.

		Group	Parent	
	DKKm	Deposits	Equity investment in subsidiary	Deposits
15	Other non-current assets			
	Cost at 1 July 2020	25.9	111.1	25.6
	Additions for the year	5.3	-	5.3
	Disposals for the year	-6.8	-	-6.8
	Cost at 30 June 2021	24.4	111.1	24.1
	Carrying amount at 30 June 2021	24.4	111.1	24.1
	Cost at 1 July 2021	24.7	111.1	24.4
	Additions for the year	2.1	250.0	2.0
	Disposals for the year	-9.4	-	-9.3
	Cost at 30 June 2022	17.4	361.1	17.1
	Carrying amount at 30 June 2021	17.4	361.1	17.1

Additions for the year is a capital increase in the subsidiary in the form of a debt conversion.

Management has not identified any indications of impairment of the value of the investment in the subsidiary.

15 Other non-current assets, continued

Equity investments in subsidiaries comprise:

Name	Registered office	Voting rights and ownership
EY Godkendt Revisionspartnerselskab	Frederiksberg	100%
Datoselskabet af 18/10 2022	Frederiksberg	100%
EY Grønland Statsautoriseret Revisionsanpartsselskab	Frederiksberg	100%

Deposits comprise amounts deposited in connection with leases covered by the leasehold 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.

Investments in other entities comprise shares in a foreign EY firm. The shares are measured at spot price, which corresponds to the value at which the shares are settled between EY firms.

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
	DKKm	DKKm	DKKm	DKKm
16 Trade receivables				
Trade receivables before provision for losses	616.0	520.9	-	-
Provision for losses	-7.2	-9.6	-	-
	608.8	511.3	-	-
Provision for losses at 1 July	-9.6	-9.8	-	-
Losses and write-downs identified for the year	1.3	0.5	-	-
Reversed impairment write-downs	-2.2	0.1	-	-
Depreciation and amortisation for the year	3.3	-0.4	-	-
Provision for losses at 30 June	-7.2	-9.6	-	-

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 28.

	Group 2021/22 DKKm	Group 2020/21 DKKm	Parent 2021/22 DKKm	Parent 2020/21 DKKm
17 Contract assets and liabilities				
Selling price of contract assets	2,319.7	2,297.6	-	-
Progress billings, contract assets	-2,211.4	-2,170.1	-	-
	108.3	127.5	-	-
The net value is recognised in the balance sheet as follows:				
Contract assets	245.4	269.2	-	-
Contract liabilities	-137.1	-141.7	-	-
	108.3	127.5	-	-

The opening amount of contract liabilities has been recorded as revenue for the year. Opening amount of contract assets has been billed during the year and has largely been paid

	Group 2021/22 DKKm	Group 2020/21 DKKm	Parent 2021/22 DKKm	Parent 2020/21 DKKm
18 Prepaid expenses				
Insurance	13.1	-	-	-
Rent	11.2	-	11.2	-
Membership subscription	48.7	45.2	-	-
Other	5.5	6.5	-	2.7
	78.5	51.7	11.2	2.7

19 Equity

The share capital comprises 5,000,000 share of DKK 1 each, which are held by the Company's partners and Komplementarselskabet af 1. januar 2008 A/S.

No share certificates have been issued. Transfer of shares requires the Board of Directors' approval.

On 20 November 2021, the Company distributed ordinary dividend of DKK 35.3 million. Distribution of dividend has no tax consequences for the Company.

For the financial year 2021/22, the Supervisory Board proposes dividend of DKK 73,9 million (DKK 14.79 per share), 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 2022 as it is contingent on approval by the annual general meeting.

	Group and Parent			
	No. and nom. value (DKK)		% of share capital	
	2021/22	2020/21	2021/22	2020/21
Treasury shares				
Balance at 1 July	-	-	0.0%	0.0%
Disposals during the year	-534,300	-535,570	-10.7%	-10.7%
Acquisitions during the year	534,300	535,570	10.7%	10.7%
	-	-	0.0%	0.0%

Acquisition and sale of shares are made in connection with partners' appointment and resignation and take effect on the same day. Acquisition and sale of shares are made on behalf of partners, and consequently, the Company does not hold treasury shares.

The acquisition price and sales price of treasury shares amount to DKK 1.068.300.

	Group
	2021/22
	DKKm
20 Provisions	
Provision for professional liability claims, 1 July	15.4
Reversed in the period	-
Provided for the period	6.0
Provision for professional liability claims, 30 June	20.4
Provision for jubilee benefits, 1 July	1.8
Utilised for the period	-0.3
Provided for the period	-
Provision for jubilee benefits, 30 June	1.5
Total provisions	21.9
Expected maturities for provisions:	
Short-term:	
0-1 years	0.1
Long-term:	
1-5 years	20.6
> 5 years	1.2
	21.9

20 Provisions (continued)

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. None of the cases resolved in the year resulted in a draw on the 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.

21 Loans from the partners of the Company

Loans from the partners of the Company comprise the partners' deposits in the Company. The deposits currently carry interest of 2.63%. Deposits recognised in non-current liabilities comprise mandatory subordinated loan according to the partnership agreement, whereas deposits recognised in current liabilities comprise deposits that are balances payable on demand.

The mandatory subordinated loans are subordinated to other payables of the Company.

According to the Articles of Association the partners of the Company has a contingent contribution liability of DKK 850 million at 30 June 2022 to satisfy claims against the Company that the Company is unable to cover.

At the annual general meeting on 16 December 2022, the Supervisory Board will propose an increase of the contingent contribution liability to DKK 1,050 million.

22 Other non-current liabilities

As a result of an amendment to the Danish Holiday Act in 2019, holiday pay earned by the employees from 1 September 2019 to 31 August 2020 may be deferred and settled only when the employees retire. Consequently, the vacation allowance is presented as a non-current liability. The liability falls due after 5 years.

23 Liabilities from financing activities

DKKm	Opening balance	Cash flows	Non-cash changes	Closing balance
Group 2021/22				
Non-current liabilities	109.7	42.3		152.0
Current liabilities	331.7	58.0		389.7
Lease commitments	235.1	-35.0	22.0	222.1
Total liabilities from financing activities	676.5	65.3	22.0	763.8

Non-cash changes regarding lease liabilities primarily comprise the new domiciles.

DKKm	Opening balance	Cash flows	Non-cash changes	Closing balance
Group 2020/21				
Non-current liabilities	85.7	24.0	-	109.7
Current liabilities	239.7	92.0	-	331.7
Lease commitments	208.5	-39.9	66.5	235.1
Total liabilities from financing activities	533.9	76.1	66.5	676.5

Non-cash changes regarding lease liabilities primarily comprise the new domiciles.

DKKm	Opening balance	Cash flows	Non-cash changes	Closing balance
Parent 2021/22				
Non-current liabilities	109.7	42.3		152.0
Current liabilities	331.7	58.0		389.7
Lease commitments	226.5	-31.8	21.3	216.0
Total liabilities from financing activities	667.9	68.5	21.3	757.7

23 Liabilities from financing activities (continued)

DKKm	Opening balance	Cash flows	Non-cash changes	Closing balance
Parent 2020/21				
Non-current liabilities	85,7	24,0	-	109,7
Current liabilities	239,7	92,0	-	331,7
Lease commitments	197,4	-36,2	65,3	226,5
Total liabilities from financing activities	522,8	79,8	65,3	667,9

	Group		Parent	
	2021/22	2020/21	2021/22	2020/21
	DKKm	DKKm	DKKm	DKKm
24 Other payables				
Holiday allowance, bonus and other staff obligations	226,5	212,0	-	-
VAT, PAYE tax, labour market contributions, etc.	78,0	68,0	-	-
Other	7,1	25,6	5,0	6,3
	311,6	305,6	5,0	6,3
25 Adjustments				
Adjustment for non-cash operating items, etc.:				
Depreciation and amortisation	58,1	57,7	0,6	0,6
Loss on sale of assets	-	4,8	-	4,0
Changes in prepaid expenses	-26,8	22,4	-8,5	5,0
Changes in provisions	4,7	11,1	-	-
Accrued interest	1,4	14,2	3,4	3,3
Taxation	-1,2	1,2	-	-
	36,2	111,4	-4,5	12,9
26 Changes in working capital				
Changes in trade receivables	-97,5	-99,1	-	-
Changes in contract assets and liabilities	19,2	-34,4	-	-
Changes in related party balances	2,4	0,4	-	-
Changes in balances with other EY firms	39,3	24,9	0,6	-0,6
Changes in other receivables	7,4	-5,9	7,2	-7,2
Changes in trade payables	18,1	-11,7	3,6	1,1
Changes in other liabilities	-11,1	-4,7	-1,3	5,7
	-22,2	-130,5	10,1	-1,0

27 Contractual obligations, contingent liabilities and collateral

Group

Lease and licence agreement

The Group pays consideration for the lease and licence agreement entered into between EY Danmark A/S and the Group. The consideration comprises a revenue-based lease and license fee.

The lease and licence 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 licence agreement. The agreement is subject to standard termination clauses on non-performance in accordance with the lease and licence agreement.

Contingent liabilities

The Group is party to a few pending disputes. In Management's opinion, the outcome of these disputes will not affect the Group's financial position taking into consideration the liabilities recognised in the balance sheet at 30 June 2022; see note 20.

The Group is liable for the VAT liability of the jointly registered EY firms. The liability amounted to DKK 77,7 million at 30 June 2022.

Parent Company

Lease and license agreement

EY Godkendt Revisionspartnerselskab pays consideration for the lease and licence agreement entered into between EY Godkendt Revisionspartnerselskab and the Company. The consideration comprises a revenue-based leasehold fee and a fixed fee related to the right of use to the Company's fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by the Company. 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 licence 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 licence agreement, including the rights of use to the Company's fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by the Company. The agreement is subject to standard termination clauses on non-performance in accordance with the lease and licence agreement.

The Parent Company has assessed that the lease term of the sub-lease agreements entered into with EY Godkendt Revisionspartnerselskab as the lessee corresponds to the lease term of the head lease agreements entered into between The Parent Company and third party lessors as it is assessed that it is reasonable certain that the implicit renewal options of the assets in question in the lease and license agreement between the Parent Company and EY Godkendt Revisionspartnerselskab will be exercised.

Contingent liabilities

The Company are liable for the VAT liability of the jointly registered EY firms. The liability amounted to DKK 77,7 million at 30 June 2022.

Collateral

	Parent	
	2021/22	2020/21
	DKKm	DKKm
All shares in Datoselskabet af 18/10 2022 A/S have been pledged to the Parent Company (EY Partnership P/S). The Parent Company has a contingent option to purchase the shares in Datoselskabet af 18/10 2022 A/S.	2.2	2.2
	2.2	2.2

28 Financial risks and financial instruments, continued

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.

The assessment did not result in any further losses being recognised.

Group	Balance 2021/22 DKKm	Expected default rate 2021/22 %	Loss allowance 2021/22 DKKm	Balance 2020/21 DKKm	Expected default rate 2020/21 %	Loss allowance 2020/21 DKKm
Not past due	473.7	0.1%	0.5	378.1	0.2%	0.8
1-30 days	74.5	0.5%	0.4	80.3	0.5%	0.4
30-90 days	34.0	1.5%	0.5	37.5	1.5%	0.5
91-180 days	11.3	9.6%	1.1	11.1	11.5%	1.3
More than 180 days	22.5	20.9%	4.7	13.9	47.6%	6.6
	616.0		7.2	520.9		9.6

With the implementation of IFRS 9, EY has applied the simplified expected credit loss model to measure the expected credit loss allowance for all trade receivables. Based on the low realised losses on receivables historically, adjustments 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 do not increase the risk of losses significantly.

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's activities are primarily financed by means of external loans and loans from the partners. At the ordinary general meeting on 20 November 2021, the Company resolved to increase the contingent contribution liability for partners corresponding – currently DKK 850 million – to satisfy claims against the Company that the Company is unable to cover.

At the annual general meeting on 16 December 2022, the Supervisory Board will propose an increase of the contingent contribution liability to DKK 1,050 million.

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 underlying 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.

28 Financial risks and financial instruments, continued

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.

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Group	Balance 2021/22 DKKm	Expected default rate 2021/22 %	Loss allowance 2021/22 DKKm	Balance 2020/21 DKKm	Expected default rate 2020/21 %	Loss allowance 2020/21 DKKm
Not past due	473.7	0.1%	0.5	378.1	0.2%	0.8
1-30 days	74.5	0.5%	0.4	80.3	0.5%	0.4
30-90 days	34.0	1.5%	0.5	37.5	1.5%	0.5
91-180 days	11.3	9.6%	1.1	11.1	11.5%	1.3
More than 180 days	22.5	20.9%	4.7	13.9	47.6%	6.6
	616.0		7.2	520.9		9.6

With the implementation of IFRS 9, EY has applied the simplified expected credit loss model to measure the expected credit loss allowance for all trade receivables. Based on the low realised losses on receivables historically, adjustments 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 do not increase the risk of losses significantly.

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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 underlying 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.

		Group				
	DKKm	0-1 years	1-5 years	> 5 years	Contractual cash flows	Carrying amount
28	Financial risks and financial instruments, continued					
	Liquidity risk, continued					
	List of maturities at 30 June 2022					
	Lease liabilities	33.8	113.2	86.2	233.2	222.1
	Deposits	-	0.1	-	0.1	0.1
	Subordinated loan from the partners	-	152.0	-	152.0	152.0
	Trade payables	36.9	-	-	36.9	36.9
	Payables to group entities	27.4	-	-	27.4	27.4
	Payables to other EY firms	157.0	-	-	157.0	157.0
	Payables to the Company's partners	389.7	-	-	389.7	389.7
	Other payables	311.6	-	-	311.6	311.6
	Total financial liabilities	956.4	265.3	86.2	1,307.9	1,296.8
	Trade receivables	608.8	-	-	608.8	608.8
	Receivables from group entities	0.9	-	-	0.9	0.9
	Receivables from other EY firms	63.7	-	-	63.7	63.7
	Other receivables	0.1	-	-	0.1	0.1
	Cash	263.7	-	-	263.7	263.7
	Total financial assets	937.2	-	-	937.2	937.2
	List of maturities at 30 June 2021					
	Lease liabilities	34.7	134.4	111.3	280.4	235.1
	Deposits	-	0.2	-	0.2	0.2
	Trade payables	18.8	-	-	18.8	18.8
	Payables to group entities	25.4	-	-	25.4	25.4
	Payables to other EY firms	125.0	-	-	125.0	125.0
	Payables to the Company's partners	441.4	-	-	441.4	441.4
	Other payables	305.6	-	-	305.6	305.6
	Total financial liabilities	950.9	134.6	111.3	1,196.8	1,151.5
	Trade receivables	511.3	-	-	511.3	511.3
	Receivables from group entities	1.3	-	-	1.3	1.3
	Receivables from other EY firms	71.0	-	-	71.0	71.0
	Other receivables	7.5	-	-	7.5	7.5
	Cash	166.5	-	-	166.5	166.5
	Total financial assets	757.6	-	-	757.6	757.6

	Parent				
DKKm	0-1 years	1-5 years	> 5 years	Contractual cash flows	Carrying amount
28 Financial risks and financial instruments, continued					
Liquidity risk, continued					
List of maturities at 30 June 2022					
Lease liabilities	31.0	109.7	86.2	226.9	216.0
Deposits	-	0.1	-	0.1	0.1
Subordinated loan from the partners	-	152.0	-	152.0	152.0
Trade payables	4.7	-		4.7	4.7
Payables to group entities	27.4	-	-	27.4	27.4
Payables to the Company's partners	389.7	-	-	389.7	389.7
Other payables	5.0	-	-	5.0	5.0
Total financial liabilities	457.8	261.8	86.2	805.8	794.9
Leasing receivables	28.4	99.3	77.2	204.9	193.9
Receivables from group entities	132.8	-	-	132.8	132.8
Cash	30.9	-	-	30.9	30.9
Total financial assets	192.1	99.3	77.2	368.6	357.6
List of maturities at 30 June 2021					
Lease liabilities	33.0	105.3	100.7	239.0	226.5
Deposits	-	0.2	-	0.2	0.2
Trade payables	1.1	-		1.1	1.1
Payables to group entities	32.7	-	-	32.7	32.7
Payables to the Company's partners	441.4	-	-	441.4	441.4
Other payables	6.3	-	-	6.3	6.3
Total financial liabilities	514.5	105.5	-	720.7	708.2
Leasing receivables	30.3	94.8	89.2	214.3	201.8
Receivables from group entities	272.3	-	-	272.3	272.3
Cash	1.3	-	-	1.3	1.3
Total financial assets	303.9	94.8	89.2	487.9	475.4

On the basis of the the Company's expectations as to its future operations and current cash resources, no other liquidity risks have been identified.

	Group		Parent	
	2021/22 DKKm	2020/21 DKKm	2021/22 DKKm	2020/21 DKKm

28 Financial risks and financial instruments, continued

Financial instrument categories

	Carrying amount	Carrying amount	Carrying amount	Carrying amount
Deposits, loans, receivables and cash	954.6	782.0	180.8	305.7
Financial liabilities measured at amortised cost	222.2	235.3	216.1	226.7

The carrying amount and fair value of the above items are in all material respects identical.

29 Related parties

EY Partnership P/S' related parties comprise the following:

Other related parties

Komplementarselskabet af 1. januar 2008 A/S
EY Godkendt Revisionspartnerselskab
Datoselskabet af 18/10 2022 A/S
EY Grønland Statsautoriseret Revisionsanpartsselskab
EY Danmark A/S
EY Legacy ApS
Datoselskabet 18/6-1992 A/S

Key management personnel

Key management personnel are defined as the Executive Board, the Supervisory Board and the Service Line leaders. Key management personnel have 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:

Income				
Income in relation to leasing contracts	3.9	-	20.0	16.1
Interest income, other related parties	1.5	-	2.1	-
Expenses				
Consideration, general partner liability	0.2	0.2	0.1	0.1
Consideration according to leasing contracts	-	1.6	-	1.6
Interest expenses, group entities	1.8	0.1	0.4	0.8
Other transactions				
Dividends received	-	-	58.3	15.6
Group subsidy to subsidiary	-	250.0	-	250.0

Balances with EY firms are disclosed in the balance sheet.

NOTES

30 Subsequent events

EY Godkendt Revisionspartnerselskab has on 15 August 2022 completed the acquisition of all the activities of Tofte & Company, a leading Nordic boutique investment bank specializing in advising tech companies.

We have performed a prelininary purchase price allocation that shows value of customers lists of DKK 4,0 million and goodwill of DKK 56,6 million and a vacation pay reserve of DKK 0,2 million. The total purchase price of DKK 60.4 million has been paid by a cash payment in August 2022 of DKK 42.4 million and a deferred payment of DKK 18.0 million, due no later than 25 February 2024.

The customers list is expected to be amortized over 3 years.

Goodwill represents the value of the staff and know-how as well as expected synergies from the combination with EY. The calculated goodwill is tax deductible.

EY Global Executive (global leadership in EY) has in September 2022 decided to move forward with plans to separate EY into two distinct multidisciplinary organizations – a simplified, more agile, global network of multidisciplinary member firms committed to assurance, tax and advisory services with all the capabilities required to deliver high-quality audits, serve the public interest, and focus on the CFO agenda and sustainability; and a new global corporate entity providing Consulting, the majority of Tax, Strategy and Transactions, and managed services.

The proposal needs to be approved by the partners in each country. In Denmark the partners is expected to vote on the proposal in the Spring 2023.

At the annual general meeting on 16 December 2022, the Supervisory Board will propose an increase of the contingent contribution liability to DKK 1,050 million.

No other significant events affection the annual report have occured after the balance sheet date.

31 New accounting regulation

At the date of the annual report for 2021/22, IASB and IFRIC have issued a number of new standards and interpretations as well as amendments that are not mandatory for the Company when preparing the annual report for 2021/22.

None of the standards are expected to materially affect the financial reporting of EY.

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