

# AccountancyAge

## Deloitte revenues up as firm hails "turning point"

by Richard Crump

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**DEMAND FOR AUDIT AND CONSULTING** services helped lift Deloitte UK to an 8% increase in annual revenues, however, the average amount paid to its individual partners dropped on the previous year.

Britain's [second-largest accountancy firm](#) reported revenues of £2.5bn for the year ended 31 May 2013, driven by the strong growth in its consulting and audit businesses. Audit, Deloitte's largest service line by fee income, grew by 12% to £742m, while the biggest annual growth came in its consulting division, up 14% to £596m.

David Sproul, chief executive and senior partner of Deloitte, said the firm benefited from the recovering

health of UK the economy and a new sense of optimism among British corporates.

"UK businesses have reached a turning point in terms of confidence and, with substantial cash holdings and improving credit conditions, they've got the firepower to invest for growth," Sproul said.

"The appetite for risk is increasing and clients are showing greater willingness to invest. This is evidenced by a higher demand for those services that are focused on helping clients grow."

Despite improving revenues - tax and corporate finance also booked increases of 6% and 1% respectively - profit distributable to partners for the year was largely flat at £571m. The average profit earned by each partner fell to £772,000 from £779,000 the previous year. Sproul's take home earnings dropped to £2.7m from £2.8m.

Deloitte said it had recruited more than 3,000 people during the last financial year, including almost 1,700 graduates and school leavers. The firm also recruited or promoted 70 partners, taking its total to more than 1,000.

"This is a strong performance for our firm given the continuing challenging economic environment," Sproul said.

The firm did not set aside any money during the period to pay any penalties arising from the work it did for the owners of MG Rover in 2000.

Last month, [a tribunal ruled](#) that Deloitte and its former corporate finance partner Maghsoud Einollahi had committed misconduct in their roles advising MG Rover and a quartet of businessmen known as the Phoenix Four, who led the purchase of MG Rover from BMW prior to its collapse.

A fine has yet to be announced, but will be calculated according to new guidance issued by the FRC in February, which could result in a fine based on the fee income of the firm.

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