

# Financial statements

# Consolidated financial statements

## Consolidated balance sheet as of 31 May 2009

(before result appropriation)

Assets (in € thousands)	Note	31 May 2009	31 May 2008
<b>Fixed assets</b>			
Intangible fixed assets	[1]	19,050	21,584
Tangible fixed assets	[2]	50,213	56,851
Financial fixed assets	[3]	2,135	4,463
		71,398	82,898
<b>Current assets</b>			
Work in progress		33,347	46,297
Receivables and prepayments	[4]	158,668	186,000
Cash and cash equivalents		20,749	2,170
		212,764	234,467
		281,162	317,365
<b>Liabilities (in € thousands)</b>			
<b>Group equity *)</b>	[5]	7,150	8,150
<b>Provisions</b>	[6]	12,737	8,137
<b>Long-term liabilities:</b>	[7]		
Subordinated loans Stichting Financiering Deloitte *)		116,595	118,920
<b>Current liabilities and accruals</b>	[8]	147,680	182,158
		281,162	317,365

[ ] The figures between brackets refer to the corresponding notes on the specific items of the consolidated balance sheet.

\*) The group equity and the subordinated loans represent the group's capital base €123,745 (31 May 2008 €127,070), see note 7.

## Consolidated profit and loss account for the period 1 June 2008 to 31 May 2009

in € thousands	Notes	2008/2009	2007/2008
<b>Net turnover</b>	[9]	<b>709,122</b>	748,587
Other operating income	[10]	<b>1,152</b>	6,116
<b>Total operating income</b>		<b>710,274</b>	754,703
Costs of subcontracted work and other external costs		<b>61,003</b>	73,455
Salaries and social security charges	[11]	<b>321,246</b>	309,424
Amortisation of intangible and depreciation of tangible fixed assets	[12]	<b>21,963</b>	23,599
Impairments of intangible fixed assets	[1]	<b>117</b>	1,158
Other operating expenses	[13]	<b>200,683</b>	214,794
<b>Total operating expenses</b>		<b>605,012</b>	622,430
Operating result		<b>105,262</b>	132,273
Share in result of non-consolidated associated companies		<b>36</b>	31
Financial income and expenses	[14]	<b>(10,916)</b>	(14,535)
<b>Result from ordinary activities before taxation</b>		<b>94,382</b>	117,769
Taxation on result on ordinary activities	[15]	<b>(373)</b>	(356)
Shareholders' Associate Fee	[16]	<b>(94,009)</b>	(117,413)
<b>Net result</b>		<b>-</b>	-

[ ] The figures between brackets refer to the corresponding notes to the specific items of the consolidated profit and loss account.

## Consolidated cash flow statement for the period 1 June 2008 to 31 May 2009

(Prepared using the indirect method)

in € thousands	Notes	2008/2009	2007/2008
<b>Operating result</b>		<b>105,262</b>	<b>132,273</b>
Adjustments for:			
- Amortisation and impairments of intangible and depreciation of tangible fixed assets		22,080	24,757
- Book result on disposal of tangible fixed assets		293	(417)
- Book result on disposal of activities	[17]	(206)	(3,741)
- Changes in provisions		4,599	(1,547)
- Changes in working capital:			
. Movements operating accounts receivable		12,942	8,343
. Movements work in progress		12,850	19,635
. Movements operating accounts payable	[18]	(15,756)	(2,593)
		<b>10,036</b>	<b>25,385</b>
<b>Cash flow from business activities</b>		<b>142,064</b>	<b>176,710</b>
Interest received		463	1,437
Interest paid		(10,269)	(14,345)
Dividend received		36	31
(Paid)/received corporate income tax		(596)	2,531
		<b>(10,366)</b>	<b>(10,346)</b>
<b>Cash flow from operating activities</b>		<b>131,698</b>	<b>166,364</b>
Investments in tangible fixed assets		(12,587)	(13,777)
Disposal of tangible fixed assets		102	781
Disposal of activities		3,264	5,116
Investments in other financial fixed assets		-	(2,214)
Disposal of other financial fixed assets		13,139	202
<b>Cash flow used for investment activities</b>		<b>3,918</b>	<b>(9,892)</b>
<b>Transport</b>		<b>135,616</b>	<b>156,472</b>

in € thousands	Note	2008/2009	2007/2008
<b>Transport</b>		<b>135,616</b>	156,472
Stichting Financiering Deloitte:			
- Shareholders' Associate Fee	(94,009)	(117,413)	
- Decrease in subordinated loans	(2,150)	(21,113)	
- Changes in current account	(19,369)	(22,867)	
	(115,528)	(161,393)	
Cancellation of shares	(1,000)	-	
<b>Cash flow used for financing activities</b>		<b>(116,528)</b>	(161,393)
<b>Net cash flow</b>		<b>19,088</b>	(4,921)
Cash/net bank debt at start of financial year		1,661	6,582
Net cash flow		19,088	(4,921)
<b>Cash at end of financial year *</b>		<b>20,749</b>	1,661

[ ] The figures between brackets refer to the corresponding notes to the consolidated financial statements.

\* Cash at end of financial year relates to cash and cash equivalents and the amount owed to credit institutions (see note 8).

# Notes to the consolidated financial statements

## General

### Activities

The activities of Deloitte Holding B.V., with its registered office in Rotterdam, and the companies in its group, consist mainly of Audit, Tax, Financial Advisory Services and Consulting, as well as other forms of professional financial services. These activities are conducted by and for the account of the respective group companies of Deloitte Holding B.V., which acts as the holding company and does not itself conduct any activities in the field of professional financial services as referred to in the previous sentence.

### International relationships

Deloitte Holding B.V. is a member firm of Deloitte Touche Tohmatsu (DTT), a Swiss Verein based in Switzerland. Neither DTT nor any of its member firms has any liability for each other's acts or omissions. Each member firm is a separate and independent legal entity operating under the names "Deloitte", "Deloitte & Touche", "Deloitte Touche Tohmatsu", or other related names. Services are provided by the member firm or its subsidiaries and not by DTT.

### Group relationships

Deloitte Holding B.V. is the ultimate parent of a group of legal entities. For a list of subsidiaries required by articles 2:379 and 2:414 of the Netherlands Civil Code reference is made to the notes to the company balance sheet. Deloitte Holding B.V. has not issued any declarations of liability in accordance with article

2:403 of the Netherlands Civil Code for the sake of its group companies.

### Shareholders' structure

The shares in Deloitte Holding B.V. are held by shareholding companies owned by partners who have signed a so-called "Associate Agreement" with Deloitte Holding B.V. These shareholding companies are referred to as "shareholders" or partners. In addition, Stichting Financiering Deloitte holds shares in Deloitte Holding B.V. acquired from former shareholders on a temporary basis. In the past, Stichting Financiering Deloitte has refrained from exercising the right to vote on shares it holds.

Under the Associate Agreement, each shareholding company has placed (the workforce of) each partner at the disposal of Deloitte Holding B.V. and its group companies in which the relevant professional activities for that partner are performed. An Associate Fee is payable that is equal to the consolidated profit of the company before this fee is charged. This fee is treated as an expense therefore resulting in a net profit amounting to nil.

### Financing structure and Stichting Financiering Deloitte

In addition to the share capital, shareholders finance Deloitte Holding B.V. with subordinated loans. These loans are provided to Stichting Financiering Deloitte. Payments of associate fees by virtue of the associate agreement and

other payments to shareholders also take place through Stichting Financiering Deloitte.

Stichting Financiering Deloitte has re-issued the brought-in loans and current accounts to Deloitte Holding B.V. These loans are subordinated too. Stichting Financiering Deloitte does not belong to the Deloitte Holding B.V. group and therefore is not included in these consolidated financial statements.

### Stichting InterNos

Stichting InterNos is responsible for the settlement of goodwill rights and former goodwill rights. This foundation is partly financed by Stichting Financiering Deloitte, which has been authorised by the shareholders to withhold a proportion of the Associate Fee due to these shareholders to finance Stichting InterNos. Stichting InterNos does not belong to the Deloitte Holding B.V. group of companies and therefore is not included in these consolidated financial statements.

### Basis of consolidation

The financial data of entities that form part of the group are included in the consolidated financial statements of Deloitte Holding B.V. The consolidated financial statements have been prepared using the accounting principles for valuation and for determining results of Deloitte Holding B.V.

The financial information relating to Deloitte Holding B.V. is presented in

the consolidated financial statements. Accordingly, in accordance with article 2:402 of the Netherlands Civil Code, the company financial statements only contain an abridged profit-and-loss account.

The financial data of the group companies are included in full in the consolidated financial statements, eliminating intra-group relationships and transactions. Newly acquired group companies are consolidated from the date of their acquisition. The assets, provisions and liabilities of these acquired group companies are valued at the fair value on that date. The goodwill paid is capitalised and amortised over the useful economic life. Results from participating interests that have been disposed are included in the consolidation until the date that control ceases.

### General accounting principles used for the preparation of the financial statements

The consolidated financial statements have been prepared in accordance with the requirements of Title 9, Book 2 of the Netherlands Civil Code. Assets and liabilities are valued and results are determined on the basis of historical cost. Unless a different accounting principle is specified for the specific item on the balance sheet, assets and liabilities are carried at their face value.

Income and expenses are allocated to the year to which they relate. Profits are only recorded if they have been realised on the balance sheet date. Losses originating before the end of the year under review are taken into consideration if

they were known before the Financial Statements were prepared. All amounts in the financial statements are shown in thousands of euros, unless stated otherwise.

### Changes in accounting policy

This year Dutch Accounting Standard RJ290 has been changed. Accordingly the accounting principles are adapted. This has had no impact on the balance sheet and profit and loss account.

### Foreign currencies

The functional currency of the company and its group companies is the euro. Receivables, liabilities and obligations in foreign currencies are translated at the exchange rate prevailing as of the balance sheet date. Transactions in foreign currencies during the period under review are recognised in the financial statements at the rates of exchange at transaction date. Exchange-rate gains and losses arising from such translations are taken to the profit-and-loss account.

### Accounting principles for the valuation of assets and liabilities

#### Intangible fixed assets

Goodwill paid for companies acquired from third parties is included under intangible fixed assets. This goodwill is amortised in straight-line over 15 years and, where applicable, reduced by impairment losses.

#### Tangible fixed assets

Tangible fixed assets are valued at acquisition cost or production cost, less accumulated depreciation and, where applicable, impairment losses. Depreciation is based on the estimated useful life of the asset and calculated using the straight-line method based

on the acquisition/production cost, taking account of any residual value. The asset starts to depreciate from the date that it is taken into use. Tangible fixed assets under construction are valued at production cost. Production cost comprises licensing costs, direct labour costs, expenditure on services from third parties and the attributable share of other operating costs.

Grants for the purchase of (tangible) fixed assets are deducted from the investment and amortised through depreciation.

#### Financial fixed assets

The financial fixed assets comprise participating interests and amounts owed by participating interests and loans. The participating interests over which significant influence is being exercised on business and financial policy are valued at net asset value. The other participating interests are valued at acquisition cost, taking account where necessary of any impairment losses. Upon initial recognition amounts owed by participating interests and loans are valued at fair value and then valued at amortised cost, less provisions deemed necessary for the risk of non-collectability.

#### Work in progress

Work in progress is valued at the estimated realisable value of services already performed but not yet invoiced, less advance payments invoiced.

#### Receivables and prepayments

Receivables are recognised at fair value and then valued at amortised cost, less provisions deemed necessary for the risk of non-collectability.

### **Pension schemes**

Deloitte operates two pension plans: a defined contribution plan (DCP) for the majority of the employees and a final pay plan (defined benefit plan or DBP) for those employees who were in active service on 1 January 2001 and were 50 years old or more on that date. Pension costs incurred under the DCP are recognised on accrual basis. Contributions not yet paid are included in current liabilities. All pension plans are executed by Stichting Pensioenfondsen Deloitte. The pension fund has reinsured its obligations via a guarantee contract. This contract guarantees the pension payments and that the pension fund does not bear any risk on the plan assets. The Financing Agreement between Deloitte and Stichting Pensioenfondsen Deloitte provides that Deloitte does not pay any contributions for indexation of current pension payments because the conditional indexation is financed through potential surpluses from excess return on plan assets. Therefore the cost of indexation will never lead to any cash outflow for Deloitte. In addition this agreement explicitly states that Deloitte will never be obligated to settle a deficit of the pension fund nor that Deloitte is entitled to any part of a surplus on the pension fund plan's assets. This implies that Deloitte recognises only the risk of future past service costs for pension entitlements granted under defined benefit plan and values these in accordance with the requirements of Dutch Accounting Standard RJ271.

### **Provisions**

The provisions relate to professional liability, pensions, reorganisations, unoccupied premises contracts and dismantling costs and health insurance compensation.

The provision for professional liability relates to the estimated liabilities from claims. This provision is calculated per claim based on the estimated future expenditure, including the cost of obtaining legal advice, subject to a maximum amount per claim equal to the uninsured own risk.

The provision for unoccupied premises relates to offices not used or that will not be used in the short term and is calculated based on the term of vacancies and possible rent-free periods, this provision is calculated at net present value using a discount rate of 6%. The provision for the dismantling costs based on a straight line addition.

The provision for reorganisation is based on the cost of staff redundancies, in accordance with the reorganisation plan. The health insurance compensation provision provides an allowance towards health insurance contributions for some retired personnel.

### **Long-term liabilities**

Long-term liabilities have a term of more than one year. Liabilities falling due within one year are considered to be current liabilities. Loans are initially valued at fair value and subsequently at amortised cost.

### **Accounting principles for determining the net result**

#### **Concept of profit and taxation**

Under the General Terms and Conditions of Deloitte, the Rules on Financial Relationships and the Associate Agreements, the fees paid to shareholders for services rendered are equal to the net profit of Deloitte Holding B.V., before deduction of Associate Fees. The company is obliged to pay out these Associate Fees.

The Associate Fees due to shareholders are treated as operating costs in the profit-and-loss account. In order to provide the information on group profit required under Article 362, paragraph 4, Title 9 of the Netherlands Civil Code 2, the provisions of the financial statements Formats Decree have not been followed in the financial statements and these fees are carried separately as the last item in the profit-and-loss account. The Associate Fees to be paid to shareholders through Stichting Financiering Deloitte are treated as operating expenses for tax purposes. As a consequence the amount of corporation tax paid is limited, reference is made to note 15.

#### **Net turnover**

Net turnover is the income from services rendered to third parties during the year and includes the cost of work that Deloitte subcontracts to others.

#### **Operating expenses**

Operating expenses are calculated on a historical basis and allocated to the year to which they relate.

### Share in result of non-consolidated associated companies

For participating interests over which a significant influence is being exercised on business and financial policy, the result amounts to the share in the result of these participating interests that is attributable to the company. This result is determined on the basis of the current accounting principles of Deloitte Holding B.V.

For participating interests over which no significant influence on business and financial policy is being exercised, any dividend received is treated as financial income.

### Accounting principles for preparation of the consolidated cash flow statement

The cash flow statement is prepared using the indirect method.

Cash consists of the balance of cash and cash equivalents and short-term debts to banks.

Tax on profits, interest received and paid, and dividends received are included under cash flow from operating activities. The acquisition cost for acquired group companies is included under cash flow from investment activities. Existing cash funds in these group companies are deducted from the acquisition cost.

## Notes to the specific items of the consolidated balance sheet

### 1) Intangible fixed assets

A summary of the intangible fixed assets has been included below:

in € thousands	goodwill
Acquisition cost as of 1 June 2008	53,671
Accumulated amortisation and impairments as of 1 June 2008	(32,087)
Book value as of 1 June 2008	21,584
Amortisation	(3,362)
Adjustments to acquisition cost formal acquisitions*	945
Impairments**	(117)
<b>Book value as of 31 May 2009</b>	<b>19,050</b>
Accumulated amortisation and impairments as of 31 May 2009	(34,704)
Acquisition cost as of 31 May 2009	53,754
Amortisation percentage	6 2/3

The amortisation period is 15 years, set at this figure as the useful economic life is estimated to be longer than 5 years.

\* Reference is made to the other guarantees in the off balance sheet commitments.

\*\* As a result of the restructuring of the SME business, certain elements of the capitalised goodwill have been impaired.

## 2) Tangible fixed assets

A summary of the tangible fixed assets is presented below:

in € thousands	Leasehold improvements, fixtures and fittings	Office equipment	Other fixed assets	Fixed assets under construction	Total
Acquisition cost as of 1 June 2008	50,258	29,077	93,031	335	172,701
Accumulated depreciation and impairments as of 1 June 2008	(32,031)	(20,888)	(62,931)	-	(115,850)
Book value as of 1 June 2008	18,227	8,189	30,100	335	56,851
Acquisitions	1,700	1,480	6,064	3,343	12,587
	19,927	9,669	36,164	3,678	69,438
Book value of assets disposed of	(504)	(26)	(94)	-	(624)
Depreciation	(4,507)	(2,298)	(11,796)	-	(18,601)
<b>Book value as of 31 May 2009</b>	<b>14,916</b>	<b>7,345</b>	<b>24,274</b>	<b>3,678</b>	<b>50,213</b>
Accumulated depreciation and impairments as of 31 May 2009	(33,702)	(22,737)	(65,419)		(121,858)
Acquisition cost as of 31 May 2009	48,618	30,082	89,693	3,678	172,071
Depreciation percentages			12 1/2		
			14 2/7		
			20		
	10	10	33 1/3		
			50		

The company has beneficial ownership of the leasehold improvements, fixtures and fittings but not legal ownership. Other fixed assets mainly relate to hardware and software.

### 3) Financial fixed assets

A summary of the financial fixed assets is presented below:

in € thousands	Other participating interests	Other receivables	Total
Book value as of 1 June 2008	754	3,709	4,463
Movements:			
Repayments	-	(2,394)	(2,394)
Impairment	-	(46)	(46)
Exchange rate differences	-	112	112
<b>Book value as of 31 May 2009</b>	<b>754</b>	<b>1,381</b>	<b>2,135</b>

For the item other participating interests, reference is made to the list included in the notes to the specific items of the company balance sheet. Other receivables mainly relate to receivables from DTT with an interest compensation of six months LIBOR plus 1.5%.

### 4) Receivables and prepayments

in € thousands	31 May 2009	31 May 2008
Accounts receivable	136,751	153,416
Tax	487	265
Other receivables and prepayments	21,430	32,319
	<b>158,668</b>	<b>186,000</b>

There are no receivables and prepayments with an original term of more than one year.

## 5) Group equity

For an explanation of the legal entity's share in group equity see the notes to shareholders' equity in the company financial statements.

As there have been no direct movements in the shareholders' equity other than those arising from a cancellation of shares, no consolidated statement of recognised income and expenses has been included.

For an explanation of the capital base (group equity and subordinated loans) see note 7.

## 6) Provisions

in € thousands	Professional liability	Unoccupied premises/ dismantling costs	Reorgani- sation	Health insurance compen- sation	Pensions	Total
Balance as of 1 June 2008	3,837	2,197	972	136	995	<b>8,137</b>
Additions	1,412	2,784	4,047	-	1,151	<b>9,394</b>
Charged	(1,216)	(782)	(975)	(37)	(784)	<b>(3,794)</b>
Released	(517)	(448)	(35)	-	-	<b>(1,000)</b>
<b>Balance as of 31 May 2009</b>	<b>3,516</b>	<b>3,751</b>	<b>4,009</b>	<b>99</b>	<b>1,362</b>	<b>12,737</b>

With the exception of the provisions for reorganisation the expected term of the provisions is over one year.

The provision for unoccupied premises and dismantling cost is related to the reduction of the office network and future dismantling costs.

### Pension schemes

RJ271 applies only to staff with a final pay pension scheme and only for future coming backservice (based on the expected increase of pension commitments during the remaining years of employment).

In the financial year 2005/2006 RJ271 was applied for the first time on the basis of the Projected Unit Credit method. In the years thereafter actuarial results have been equalised using the corridor approach. The transitional provision determined on 1 June 2005 is amortised

to the profit and loss account based on a straight-line method and in a period that corresponds with the expected remaining period of employment of staff active on the transition date.

The pension provision as of 31 May 2009 is comprised of the following:

in € thousands	31 May 2009		31 May 2008	
	Transitional provision	Pension provision	Transitional provision	Pension provision
Pension provision as of 1 June		995		583
Transitional provision	658		1,443	
Amortisation of transitional provision	(658)	658	(785)	785
Past service expenses recognised unconditionally		-		479
Recognised actuarial (gains)/losses (amortisation of excess corridor)		359		424
Decrease in actuarially calculated defined benefit obligations		(658)		(1,214)
Actuarial losses not yet recognised (corridor)		8		(62)
<b>Pension provision</b>		<b>1,362</b>		<b>995</b>
<b>Transitional provision not yet recognised</b>	<b>-</b>		<b>658</b>	

in € thousands	31 May 2009		31 May 2008	
		Pension provision		Pension provision
Present value future back service premiums		1,860		1,861
Actuarial gains/losses not yet recognised		(498)		(866)
<b>Pension provision</b>		<b>1,362</b>		<b>995</b>

As of 31 May 2009, 79 (31 May 2008: 104) employees were entitled to final pay pension scheme, with an average age of 60. The average number of future years of service has been estimated at 1.7 (31 May 2008: 1.8), taking into account possible dismissal and possible occupational disability.

The actuarial calculations includes an estimated future annual increase of the pension entitlements by some 2.0% (prior years 2.5%), taking into account the specific agreements, the average of the actual annual increase in the past three years and a detailed simulation of the expected increase of the entitlement at individual level.

A discount rate is set at 4%, i.e. the fixed discount rate used by the pension fund for determination of premium levels, as agreed in the Financing Agreement.

## 7) Long-term liabilities

The long-term liabilities can be specified as follows:

in € thousands	31 May 2009		31 May 2008	
	Total	Interest rate	Total	Interest rate
Subordinated loans Stichting Financiering Deloitte after deduction of repayments in the following year	116,595	7.76%	118,920	8.10%

Repayment commitments included under current liabilities can be specified as follows;

in € thousands	31 May 2009	31 May 2008
Subordinated loans Stichting Financiering Deloitte	8,125	7,950

### Stichting Financiering Deloitte

#### Subordinated loans

Shareholders who enter into an Associate Agreement with the company are obliged to grant a subordinated loan to Stichting Financiering Deloitte. In turn this Foundation grants a subordinated loan for the same amount to the company. The loans amount to €104,145 in total as of 31 May 2009 (31 May 2008: €106,070) and are subordinated to all existing and future liabilities of the company and, together with the group equity, make up the capital base of the company. The interest paid is equal to a 3-month Euribor plus 4%, with

a maximum of 8%. The loans are repaid at the termination of the Associate Agreement.

The maturity date of these loans depends on joining and leaving of shareholders and therefore cannot be expressed in years.

Shareholders may grant additional subordinated loans on voluntary basis. These voluntary subordinated loans amounted to €12,450 as of 31 May 2009 (31 May 2008: €12,850) and were granted to Stichting Financiering Deloitte which re-issues them to the company.

The term for these voluntary subordinated loans is three to five years and are subordinated to all existing and future liabilities of the company and, together with the group equity, make up the capital base of the company.

The interest paid is equal to a three-month Euribor plus a surcharge of 3.5% to 5%, depending on the term, with a maximum of 9%. The company has the right to repay the voluntary subordinated loans at an early stage at all times.

#### Voluntary subordinated loans

in € thousands	31 May 2009	31 May 2008
Terms		
2 years	12,450	700
3 years	-	12,150
	<u>12,450</u>	<u>12,850</u>

## 8) Current liabilities and accruals

The current liabilities, accruals and deferred income can be specified as follows:

in € thousands	31 May 2009	31 May 2008
Salaries and other personnel costs	35,893	41,555
Accounts payable	32,429	36,938
Tax and social security contribution	25,333	25,729
Stichting Financiering Deloitte	18,614	37,983
Stichting InterNos	15,000	15,000
Repayments on long-term loans in the following year	8,125	7,950
Liabilities for pensions	660	4,135
Amounts owed to credit institutions	-	509
Other liabilities and accruals	11,626	12,359
	<u>147,680</u>	<u>182,158</u>

### Amounts owed to credit institutions

Deloitte has a credit agreement with ING and Rabobank. Deloitte's maximum credit facility according to this credit agreement is €123,000. Within this limit it is possible to draw cash loans up to a maximum of €50,000 and use current account facilities up to a maximum of €73,000.

As a security for the amounts owed to credit institutions, the current account facility and the bank guarantees (see

guarantees) various covenants have been agreed regarding the balance sheet and the result ratios as well as certain security covenants, including a negative pledge covenant and the granting of securities in the event of default under the credit agreement.

As of 31 May 2009 Deloitte was in compliance with the covenants in the credit agreements. The securities set

consist of the joint and several liability of Deloitte Accountants B.V., Deloitte Belastingadviseurs B.V., Deloitte MKB Accountancy & Advies B.V., Deloitte Consultancy Holding B.V., Deloitte Consulting B.V., Deloitte Financial Advisory Services B.V., Deloitte Group Support Center B.V., Deloitte Management Support B.V. and Ctrl B.V.

### Off- balance sheet commitments

#### Lease and rental obligations

The group has entered into long-term rental agreements for offices, operational lease contracts for cars and copying/printing machines and facility services. These future (minimum lease) payments amount to:

in € thousands	31 May 2009	31 May 2008
Within 1 year	86,000	62,000
Between 1 and 5 years	172,000	125,000
After 5 years	41,000	38,000
	<u>299,000</u>	<u>225,000</u>

As of 1 December 2006 Deloitte outsourced facility services integrally to a third party. A large number of staff was transferred to the new service provider. Deloitte has undertaken to re-employ the former employees or to employ them with a succeeding facility supplier if the contract is not renewed after 5.5 years.

#### Membership

As a member of Deloitte Touche Tohmatsu, Deloitte Holding B.V. is obliged to pay an annual subscription fee.

## Guarantees

### Deloitte Touche Tohmatsu

The Company and its material subsidiaries act as guarantor for certain bank debts of Deloitte Touche Tohmatsu ('DTT') to a maximum amount, as of 31 May 2009, of USD 39,000, €27,000. In connection with this guarantee, the Company and its material subsidiaries: (i) have pledged their present and future receivables on DTT to certain banks ('DTT Banks') who act as lenders to DTT, (ii) have agreed to a subordination of their present and future receivables on DTT to the DTT Banks' receivables on DTT and (iii) have agreed certain covenants regarding the balance sheet and certain securities covenants including a negative pledge covenant with respect to assets in access of €30,000 and to the granting of securities to the DTT Banks with respect to assets in access of €30,000 in the event of default under the Company's credit agreement with ING and Rabobank.

### Stichting InterNos

Stichting InterNos was granted bank loans amounting to €120,000 to finance the settlement of goodwill rights. After repayments, the loans amount to €108,000 as of 31 May 2009.

On a yearly basis €6,000 will be repaid until 8 May 2011 at which time the remaining €96,000 will be redeemed. The effective interest rate on the loan is 4.1%.

As security for these loans Deloitte Holding B.V. and its material subsidiaries issued a joint and several liability undertaking. As of 31 May 2009 the total goodwill still to be settled was approximately €31,000 (31 May 2008 €37,000).

### Stichting Financiering Deloitte

Deloitte Holding B.V. and its subsidiaries are jointly and severally liable to shareholders for that which is owed to them by Stichting Financiering Deloitte with regard to the financial resources borrowed from the shareholders by Stichting Financiering Deloitte and re-issued to Deloitte Holding B.V.

The Company has agreed certain security covenants with Stichting Financiering Deloitte, including a negative pledge covenant as well as the granting of securities at the first request of Stichting Financiering Deloitte. With respect to the ranking of these securities rights, covenants have been agreed between the Company, Stichting Financiering Deloitte, ING and Rabobank (as lenders

under the Company's credit facility) and certain banks who are beneficiaries of a guarantee issued by the Company for certain bank debts of DTT (see: 'Guarantees/Deloitte Touche Tohmatsu').

### The Supervisory Board

The company has indemnified the members of the Supervisory Board from the financial consequences of claims from third parties (including defence costs) resulting from or related to the supervisory task of the members of the Supervisory Board and to the extent that the insurance of the company does not cover matters concerned.

### Bank guarantees

Bank guarantees amounting to approximately €7,900 (31 May 2008 €8,200) have been issued to third parties.

### Other guarantees

Following past acquisitions guarantees have been agreed for the maximum amount of €10,779 (31 May 2008: €11,724) on balance sheet date.

### Claims

Claims have been submitted against the legal entities that belong to the Deloitte organisation in the Netherlands for alleged poor performance of activities. A strong defense will be mounted against these claims.

The Deloitte organisation has professional indemnity insurance. If considered necessary, provisions will be formed to cover the difference between any potential claims and the related insurance payment.

### Financial instruments

The financial instruments shown on the balance sheet mainly regard financial fixed assets, receivables, cash, subordinated long-term and current liabilities and amounts owed to suppliers and trade credits.

### Exchange rate risk

Exchange rate risks, mainly dollar risks, arising from future operational cash flows and financing activities in foreign currencies are hedged by means of forward exchange contracts if considered necessary. No hedging activities took place in the year under review.

### Interest rate risk

Interest rate risks relate mainly to:

- short-term credit facilities carrying variable Euribor-based interest with a surcharge;
- subordinated loans, carrying variable Euribor-based interest with a surcharge capped at 8% for the compulsory subordinated loans and 9% for the voluntary subordinated loans.
- long-term loans to DTT carrying variable LIBOR-based interest.

Interest rate risks are not hedged.

### Credit risk

Inherent to the nature of the group's activities is its exposure to credit risk. These risks mainly regard uncollectable debts on debtors, for which adequate provisions have been recognised.

The risk of non-collectability is mainly restricted by the multitude and diversity of parties owing to the group.

### Fair value

Unless stated otherwise, the estimated fair value of the financial instruments included in the balance sheet as of 31 May 2009 approximate their book value.

## Notes to the specific items on the consolidated profit and loss account

### 9) Net turnover: segmented information

The net turnover breaks down over the business segments as follows:

in € thousands	2008/2009	2007/2008
Audit	371,330	397,551
Tax	190,947	201,613
Consulting	94,132	96,662
Financial Advisory Services	52,484	52,345
Group Support Center	229	416
	<u>709,122</u>	<u>748,587</u>

### 10) Other operating income

Other operating income mainly relates to income from disposal of activities during the year under review.

### 11) Salaries and social security charges

in € thousands	2008/2009	2007/2008
Salaries*	261,849	254,719
Social security charges	31,022	28,859
Pension costs	28,375	25,846
	<u>321,246</u>	<u>309,424</u>

\*Salaries contains €6,980 costs of reduction in personnel headcount (2007/2008 €1,866)

## Pension costs

The pension costs can be specified as follows:

in € thousands	2008/2009	2007/2008
<b>Charges defined benefit schemes</b>		
Service costs	78	111
Interest	55	97
Recognised actuarial losses/gains	359	424
Amortisation of transitional provision	658	785
Recognised past service costs	-	479
	<u>1,150</u>	<u>1,896</u>
Other pension premiums	27,225	23,950
	<u>28,375</u>	<u>25,846</u>

## Workforce

The average number of partners and employees working in the group, in FTEs, and broken down by activity, was:

	2008/2009				2007/2008			
	Partners	Fee earners	Support staff	Total	Partners	Fee earners	Support staff	Total
Audit	119	2,294	179	2,592	131	2,476	206	2,813
Tax	75	859	133	1,067	78	816	138	1,032
Consulting	25	537	36	598	23	492	32	547
Financial Advisory Services	23	236	19	278	21	212	17	250
Support / Holding	7	-	556	563	7	-	543	550
	<u>249</u>	<u>3,926</u>	<u>923</u>	<u>5,098</u>	<u>260</u>	<u>3,996</u>	<u>936</u>	<u>5,192</u>

Virtually all employees are based in the Netherlands.

## 12) Amortisation of intangible and depreciation of tangible fixed assets

in € thousands	2008/2009	2007/2008
<b>Intangible fixed assets:</b>		
Amortisation	3,362	3,346
<b>Tangible fixed assets:</b>		
Depreciation	18,601	20,253
	<u>21,963</u>	<u>23,599</u>

### 13) Other operating expenses

Other expenses can be specified as follows:

in € thousands	2008/2009	2007/2008
Accommodation costs	38,113	39,815
Staff cars	37,130	35,093
Employee benefits	33,733	38,036
Office costs	20,399	28,825
Information technology expenses	16,116	16,518
Other costs	55,192	56,507
	<u>200,683</u>	<u>214,794</u>

The auditor's fee included in the other costs can be specified as follows:

in € thousands	2008/2009	2007/2008
Audit of the financial statements	132	139
Other audits	52	38
	<u>184</u>	<u>177</u>

## 14) Financial income and expenses

in € thousands	2008/2009	2007/2008
Interest income and similar income	463	1,464
Interest paid and similar costs	(11,379)	(15,999)
	<u>(10,916)</u>	<u>(14,535)</u>

## 15) Taxation on the result from ordinary activities

The company and its wholly-owned subsidiaries in the Netherlands form one tax group for company tax purposes. There are no losses available for setoff against tax liabilities.

A ruling has been agreed with the tax authorities regarding the calculation of profit for tax purposes. The Associate Fee will be taxed at the shareholder level.

## 16) Shareholders' Associate Fee

For the Associate Fee and transactions with related parties reference is made to the accounting principles for determination of the result. The group has transactions with the shareholders for which the nature and scope are disclosed in the notes to the consolidated financial statements.

## Notes to the specific items on the consolidated cash flow statement

### 17) Book result on disposal of activities

The book result on disposal of activities can be specified as follows:

in € thousands		
Tangible fixed assets	9	
Accounts receivable	139	
Work in progress	99	
Current liabilities and accruals	(15)	
	<hr/>	232
Cash in from disposal of activities		(438)
Book result on disposal of activities		<hr/> (206)

## 18) Movement operating accounts payable

The increase in operating accounts payable can be specified as follows:

in € thousands		
Current liabilities and accruals as shown on the balance sheet as of 31 May 2009	<b>147,680</b>	
Excluding: Repayment commitments of subordinated long-term liabilities	<b>(8,125)</b>	
Interest payable	<b>(1,071)</b>	
		138,484
Salaries and other personnel costs related to disposal of activities		15
		<u>138,499</u>
Current liabilities and accruals as shown on the balance sheet as of 31 May 2008	<b>182,158</b>	
Excluding: Repayment commitments of subordinated long-term liabilities	<b>(7,950)</b>	
Amounts owed to credit institutions	<b>(509)</b>	
Interest payable	<b>(75)</b>	
		173,624
		<u>173,624</u>
Decrease		(35,125)
Movement in Stichting Financiering Deloitte current account		<u>19,369</u>
<b>Net cash flow in accounts payable from operations</b>		<b>(15,756)</b>

# Company financial statements

## Company balance sheet as of 31 May 2009

(before result appropriation)

Assets in € thousands	Note	31 May 2009	31 May 2008
<b>Fixed assets</b>			
Financial fixed assets	[1]	105,073	139,949
<b>Current assets</b>			
Receivables and prepayments	[2]	63,094	72,925
Cash and cash equivalents		20,749	2,170
		<u>83,843</u>	<u>75,095</u>
		<b>188,916</b>	<b>215,044</b>

Liabilities in € thousands	Note	31 May 2009	31 May 2008
<b>Shareholders' equity</b>	[3]		
Issued share capital *)		7,150	8,150
<b>Long-term liabilities</b>	[4]		
Subordinated loans Stichting Financiering Deloitte *)		116,595	118,920
<b>Current liabilities and accruals</b>	[5]	<u>65,171</u>	<u>87,974</u>
		<b>188,916</b>	<b>215,044</b>

[ ] The figures between brackets refer to the corresponding note to the company financial statements.

\*) The shareholders' equity and the subordinated loans represent the capital base €123,745 (31 May 2008 €127,070).

## Company profit and loss account for the period 1 June 2008 to 31 May 2009

in € thousands	2008/2009	2007/2008
Share in results of participating interests	53,819	81,008
Other income and expenses after tax	40,190	36,405
	<u>94,009</u>	<u>117,413</u>
Shareholders' Associate Fee	(94,009)	(117,413)
<b>Result after tax</b>	<u>-</u>	<u>-</u>

## Notes to the company financial statements

### **General accounting principles for the preparation of the financial statements**

The company financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. For an explanation of the general accounting principles used in the preparation of the financial statements, the policies for valuation of the assets and liabilities and for determining the result, as well as for

the notes to the various company assets and liabilities and the results reference is made to the notes to the consolidated financial statements, unless stated otherwise.

### **Financial fixed assets**

Participating interests in group companies are carried at net asset value, determined on the basis of group accounting principles.

### **Other income and expenses**

The other income and expenses includes the annual fees received from the various group companies providing the partners work force for the company; the basis of group accounting principles.

## Notes to the specific items on the balance sheet

### 1) Financial fixed assets

A summary of the financial fixed assets is presented below:

in € thousands	Participating interests in group companies	Other participating interests	Receivables from group companies	Other receivables	Total
Book value as of 1 June 2008	89,681	752	45,807	3,709	<b>139,949</b>
Movements:					
Issued loans	-	-	14,695	-	<b>14,695</b>
Repayments	-	-	-	(2,394)	<b>(2,394)</b>
Exchange rate differences	-	-	-	112	<b>112</b>
Share in result of participating interests	53,783	36	-	-	<b>53,819</b>
Dividend received	(92,604)	(36)	-	-	<b>(92,640)</b>
Negative equity of participating interest deducted from current account receivables/subordinated loan	15,742	-	(17,569)	-	<b>(1,827)</b>
Impairment	-	-	-	(46)	<b>(46)</b>
Repayments on long-term loans in following year	-	-	(6,595)	-	<b>(6,595)</b>
<b>Book value as of 31 May 2009</b>	<b>66,602</b>	<b>752</b>	<b>36,338</b>	<b>1,381</b>	<b>105,073</b>

Amounts owed by group companies are unsecured subordinated loans.

## Consolidated companies

The following subsidiaries are included in the consolidated financial statements:

Name	Registered office	Share in the issued capital
<b>Deloitte Accountants B.V.</b>	Rotterdam	100%
- Ctrl. B.V.	Rotterdam	100%
- Deloitte Bijzonder Onderzoek & Integriteitsadvies B.V.	Amsterdam	100%
- Deloitte Management Support B.V.	Amsterdam	100%
<b>Deloitte Belastingadviseurs B.V.</b>	Rotterdam	100%
- Deloitte Belastingadviseurs New York B.V.	Rotterdam	100%
<b>Deloitte Consultancy Holding B.V.</b>	Rotterdam	100%
- Deloitte Business Process Outsourcing B.V.	Rotterdam	100%
- Deloitte Consulting B.V.	Amsterdam	100%
- VB/Deloitte Holding B.V.	Rotterdam	100%
- VB Deloitte & Touche B.V.	Voorburg	100%
- Administratie/Adviesgroep CAW B.V.	Voorhout	100%
- Deloitte & Touche Acquisition B.V.	Rotterdam	100%
<b>Deloitte Financial Advisory Services B.V.</b>	Rotterdam	100%
<b>Deloitte Group Support Center B.V.</b>	Rotterdam	100%
<b>Deloitte Innovation B.V.</b>	Rotterdam	100%
<b>Deloitte MKB Accountancy &amp; Advies B.V.</b>	Rotterdam	100%
- Deloitte Salarisverwerking B.V.	Rotterdam	100%
<b>IFV Integration Netherlands (Receiving) B.V.</b>	Rotterdam	100%

### Non-consolidated subsidiaries

The participating interest in Alpha Beheer B.V., established in 's-Hertogenbosch, is not included in the consolidation because of the negligible significance of this company to the whole.

### Other participating interest

The other participating interests are minority interests in Nautilus Indemnity Holdings Ltd, established in the Bermudas and Deloitte SE, established in the Netherlands both valued at cost.

## 2) Receivables and prepayments

in € thousands	31 May 2009	31 May 2008
Current accounts owed by group companies	49,285	51,387
Other receivables and prepayments	13,809	21,538
	<b>63,094</b>	<b>72,925</b>

Annual interest is charged on the current accounts owed by group companies at approximately 6.5%.

There are no receivables or prepayments with an original term longer than 1 year.

## 3) Shareholders' equity

The issued capital of the company amounts to €7,150,000, divided into 286 ordinary (31 May 2008 286) shares of €25,000. By deed of amendment of the articles of association dated 30 May 2008 a new class of shares, Class P shares, has been introduced. These Class P shares have the same nominal value and the same voting and other rights as ordinary shares except

that, upon liquidation of the company, Class P shares have priority over ordinary shares with respect to repayment of the nominal value of the shares from the liquidation proceeds. On a one for one basis, only ordinary shares held by Stichting Financiering Deloitte can be converted in Class P shares.

By the above deed of amendment, 40 ordinary shares held by Stichting

Financiering Deloitte have been converted in an equal number of Class P shares and a shareholders resolution has been adopted to reduce the company's issued and outstanding share capital by €1,000,000 (in euro's), by cancellation of these forty Class P shares. This capital reduction of 40 P (31 May 2008 40) shares of €25,000 has been realised in the course of August 2008.

## 4) Long-term liabilities

The long-term liabilities can be specified as follows:

in € thousands	31 May 2009		31 May 2008	
	Total	Interest rate	Total	Interest rate
Subordinated loans Stichting Financiering Deloitte after deduction of short-term repayment commitments	116,595	7.76%	118,920	8.10%

## 5) Current liabilities and accruals

in € thousands	31 May 2009	31 May 2008
Stichting Financiering Deloitte	18,614	37,983
Stichting InterNos	15,000	15,000
Current accounts owed to group companies	10,610	12,485
Tax	8,389	8,775
Repayments on long-term loans in following year	8,125	7,950
Salaries and other staff costs	1,792	951
Pension liabilities	675	3,750
Amounts owed to credit institutions	-	509
Other liabilities and accruals	1,966	571
	<b>65,171</b>	<b>87,974</b>

## Off-balance sheet commitments

### Tax group

The legal entity and its wholly-owned subsidiaries make up a financial entity for corporation tax and V.A.T. purposes and for that reason are jointly and severally liable for the tax payable by the financial entity as a whole.

### Lease commitments

The company has entered into long-term leases for premises and operating lease contracts for vehicles. The commitments fall due as follows:

in € thousands	31 May 2009	31 May 2008
Within 1 year	67,000	51,000
Between 1 and 5 years	132,000	92,000
More than 5 years	41,000	38,000
	<b>240,000</b>	<b>181,000</b>

As of 1 December 2006 Deloitte outsourced facility services integrally to a third party. A large number of staff was transferred to the new service provider. Deloitte has undertaken to re-employ the former employees or to employ them with a succeeding facility supplier if the contract is not renewed after 5.5 years.

### Membership

As a member of Deloitte Touche Tohmatsu, Deloitte Holding B.V. is obliged to pay an annual subscription fee.

## Guarantees

The company acts as a guarantor for certain contractual obligations of its subsidiaries. Information on this is to be found in the notes to the consolidated financial statements.

### Deloitte Touche Tohmatsu

The Company and its material subsidiaries act as guarantor for certain bank debts of Deloitte Touche Tohmatsu ('DTT') to a maximum amount, as of 31 May 2009, of USD 39,000, €27,000. In connection with this guarantee, the Company and its material subsidiaries: (i) have pledged their present and future receivables on DTT to certain banks ('DTT Banks') who act as lenders to DTT, (ii) have agreed to a subordination of their present and future receivables on DTT to the DTT Banks' receivables on DTT and (iii) have agreed certain covenants regarding the balance sheet and certain securities covenants including a negative pledge covenant with respect to assets in access of €30,000 and to the granting of securities to the DTT Banks with respect to assets in access of €30,000 in the event of default under the Company's credit agreement with ING and Rabobank.

### Stichting InterNos

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On a yearly basis €6,000 will be repaid until 8 May 2011 at which time the remaining €96,000 will be redeemed. The effective interest rate on the loan is 4.1%.

As security for these loans Deloitte Holding B.V. and its material subsidiaries issued a joint and several liability undertaking. As of 31 May 2009 the total goodwill still to be settled was approximately €31,000 (31 May 2008 €37,000).

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The Company has agreed certain security covenants with Stichting Financiering Deloitte, including a negative pledge covenant as well as the granting of securities at the first request of Stichting Financiering Deloitte. With respect to the ranking of these securities rights, covenants have been agreed between the Company, Stichting Financiering Deloitte, ING and Rabobank (as lenders under the Company's credit facility) and certain banks who are beneficiaries of a guarantee issued by the Company for certain bank debts of DTT (see: 'Guarantees/Deloitte Touche Tohmatsu').

## The supervisory board

The company has indemnified the members of the Supervisory Board from the financial consequences of claims of third parties (including defence costs) resulting from or related to the supervisory task of the members of the Supervisory Board to the extent that in so far the insurance of the company does not cover matters concerned.

### Bank guarantees

Bank guarantees amounting to approximately €2,900 have been issued to third parties.

### Other guarantees

Guarantees agreed on account of acquisitions totaled no more than €10,779 (31 May 2008: €11,724) on the balance sheet date.

Deloitte Holding B.V. acts as a guarantor for Deloitte Group Support Center B.V., a wholly owned subsidiary, with respect to some facility contracts. Total contract value amounts to €48,000 (31 May 2008 €44,000).

## Other notes to the financial statements

### Remuneration of members of the Executive Board and the Supervisory Board

The director's remuneration comprises an Associate Fee plus a fixed expense allowance, and for some directors a fee or a repayment fee for their established

rights over goodwill. Total remuneration of the individual members of the Executive Board in the year under review was as follows:

in € thousands	31 May 2009	31 May 2008
R.J.M. Dassen	691	857
J. Dalhuisen	595	744
J. Volkers	560	663
C.J.G.M de Boer	497	595
C.E.M. Estourgie (until 31 December 2007)	-	423
<b>Total</b>	<b>2,343</b>	<b>3,282</b>

The external members of the Supervisory Board were remunerated as follows:

in € thousands	31 May 2009	31 May 2008
S.E. Beelaerts van Blokland (until 14 July 2009)	60	60
J.C. Kombrink	40	40
A. Verberk (as from 1 October 2007)	40	27
J.P. Bahlmann (until 27 April 2009)	37	40
<b>Total</b>	<b>177</b>	<b>167</b>

Rotterdam, 29 July 2009

#### Executive Board

R.J.M. Dassen (Chairman)  
J. Dalhuisen (Vice-Chairman)  
C.J.G.M. de Boer  
J. Volkers

#### Supervisory Board

A. Verberk (Chairman as from 22 July 2009)  
R.J. Slot (Vice-Chairman)  
F.G. Barnard  
J.G.C.M. Buné  
J.C. Kombrink