

If this page does not print out automatically, select **Print** from the **File** menu.

Only one Big Four firm produces UK annual report

Deloitte joins KPMG and Ernst & Young in abandoning UK-focused annual reports

Rachael Singh, [Accountancy Age](#) 03 Feb 2010

Should the UK's biggest firms set an example to their clients by producing a UK-focused annual report?

The question arises after Deloitte said it will no longer produce a UK report. Instead the Big Four firm will focus on its audit transparency report and corporate social responsibility document, as well as flag up UK performance in Deloitte's global annual report.

Michael Littlechild, former partner at KPMG Consulting and CEO at the GoodCorporation, the business assessment company, has some sympathy for the firms, where the reporting changes are made to reflect their corporate structure.

"The obvious aspect is that the reporting basis should be the same as the corporate structure," said Littlechild.

If the corporate "entity" is based on a European, US or UK partnership the reporting structure should reflect that.

Dropping the UK annual report has become the thing to do among the biggest firms, as Deloitte joins Ernst & Young, which now only includes figures in a global annual report; and KPMG, which provides a European and global report.

This leaves PwC as the only Big Four firm to continue producing a UK-only annual report.

Even though the firms are required to produce an audit transparency report some detail, such as profits and partner remuneration, may be undisclosed compared to the level of detail in a UK annual report, he added.

For example Deloitte's last annual report in 2008 included profits per partner – with the information absent in its latest transparency report. Deloitte said that as part of its "sustainability agenda" it looked at the reports which were most accessed and decided to drop those not "utilised" as much.



"As a result of this analysis, we took the decision to produce the audit transparency report and corporate responsibility report, but not an annual report," said a spokesman.

KPMG, which produced its last UK-specific annual report at the end of 2007, said it produces a European report, as that is the "firm we belong to".

"We produce figures for Europe as a whole, which

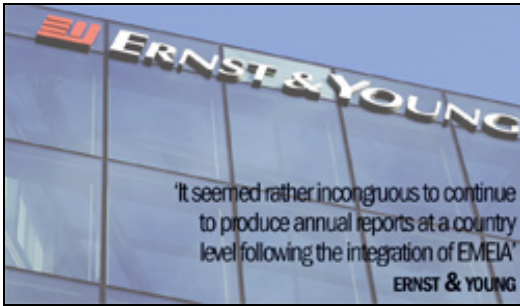
can provide a more rounded picture of the UK within Europe.”

Ernst & Young, which claims to be the first big firm to produce an annual report, stopped publishing a UK-specific report in June 2007 – bringing its 11-year stint to an end.

A spokesman for PwC said: “We produce an annual report because we believe that it helps provide transparency, confidence and accountability to both the market and the profession. We have a responsibility to demonstrate, both through our financial and non-financial disclosures, our strategy and corporate social responsibility commitments.”



PwC said it had no plans to stop producing a UK annual report.



IN OUR VIEW

Although it may seem time consuming to produce an annual report, it can prove invaluable. Being as transparent as possible to staff and clients must be seen as a vital marketing tool at the very least. But firms looking to push themselves as global players means its unlikely that we'll see them produce UK-only reports in the near future.

Further reading:

[Country-by-country reporting edges closer to reality](#)

Permalink: <http://www.accountancyage.com/2257246>

This article was printed from the **Accountancy Age** web site

© Incisive Media Ltd. 2009 Incisive Media Limited, Haymarket House, 28-29 Haymarket, London SW1Y 4RX, is a company registered in England and Wales with company registration number 04038503

Close [this window to return to the website](#)