

Financial information

Our financial performance reflects the success of our multidisciplinary model. It drives the delivery of audit, consulting, financial advisory, risk advisory, and tax & legal services.

Financial highlights

Deloitte Africa's financial information has been extracted from our financial records for the financial year ended 31 May 2021 (FY21).

Our revenue represents amounts recovered or recoverable from clients for statutory audits, audit-related services and advisory services during FY21 and FY20, excluding VAT. Recoverable amounts reflect the fair value of the services provided, based on the stage of completion of each client engagement, including expenses and disbursements, as at the balance sheet date.

Deloitte Africa	R'm FY21	R'm FY20
Total revenue	6,190	6,122
Top 200 clients	3,637	3,943
Advisory clients*	2,264	2,402
Audit clients*	1,373	1,541
Non-audit related services as a percentage of audit fees at Top 200 audit clients	6.8%	7.8%

* The split between Advisory clients and Audit clients represented above is for the firm's Top 200 clients, who constitute the majority of the revenue.

Annually, a portion of the revenue is committed towards strengthening our risk and quality management processes. For example, in audit, 3.8% of the Audit & Assurance business' FY21 revenue (3.5% of FY20 revenue) was reinvested into audit quality.

Only 6.8 per cent of revenue earned from audit clients is made up of non-audit services. We are confident that we have not impaired our independence or objectivity by delivering these essential, non-audit services to selected audit clients.

Remuneration of partners/directors

Key measures incorporated for KPI's is around quality.

A partner or director's total compensation includes salary, medical aid, shares in profits, retirement and group life benefits, and interest on capital. Remuneration is based on a comprehensive evaluation of their individual and team contributions to achieving the firm's strategic objectives.

All partners/directors are subject to partner grading, which is reviewed annually. Each level of grade describes the skills, attributes and broad performance expected of a partner/director. Each level reflects a wide band of total remuneration units so that relative contributions can be recognised.

Partner/director performance is evaluated, beginning with the Africa Board's approval of the total remuneration strategy proposed by the Africa Executive Committee and concluding with the Board's review of the recommended profit allocation and grading for each individual partner/director. These outcomes are disclosed in full with all partners and directors.

The Remuneration Committee of the Board oversees the process, with a focus on consistent and equitable treatment.

Partner/director compensation

The average total compensation per partner/director in the year ended 31 May 2021 amounted to R4.5 million before tax (31 May 2020 R4.0 million before tax).

Partner/director pay gap

The pay gap percentage is calculated based on the average remuneration per partner/director (per demographic grouping) at each partner grading level. The pay gap figures shown in the table below are linked to the current demographics of the partnership, which will gradually be corrected as we reach our transformation targets. We were able to lessen the overall race and gender pay gap in the past year. The widening of the race and gender gap per grade arises as a consequence of the appointment of a number of black and female partners in the grade 1 band and the promotion of black and female partners through the grades. This area will continue to be the focus of the firm.

Grading (FY21 number of partners/ directors)	% Gap (mean per level)			
	White/Black*		Male/Female**	
	FY21	FY20	FY21	FY20
1-2 (199)	7%	7%	9%	6%
3-4 (118)	4%	0%	9%	5%
5-6 (5)	-43%***	-42%***	-	-
Total (322)	19%	21%	18%	19%

* White/Black % gap for partners/directors of the South Africa Practice.

** No female representation at grading levels 5 and 6.

*** Black partners'/directors' earnings in this grading are more than that of their white counterparts.

Independent non-executives

We pay our firm's independent non-executives, Nikiwe Bikitsha and Ory Okolloh fees based on attendance at Africa Board meetings.