

SCR Ciklum A/S

Østerbrogade 125, 3., 2100 København Ø
CVR no. 21 14 45 84

Annual report for 2016

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 07.06.17

Arne Djernæs Hansen
Dirigent

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The company

SCR Ciklum A/S
Østerbrogade 125, 3.
2100 København Ø
Registered office: København
CVR no.: 21 14 45 84
Financial year: 01.01 - 31.12

Executive Board

James Edward Donaldson

Board Of Directors

Arne Djernæs Hansen
Claus Østergaard Pedersen
James Edward Donaldson

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Bank

Danske Bank A/S

Statement of the Board of Directors and Executive Board on the annual report

We have on this day presented the annual report for the financial year 01.01.16 - 31.12.16 for SCR Ciklum A/S.

The annual report is presented in accordance with Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.16 and of the results of the the company's activities for the financial year 01.01.16 - 31.12.16.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, May 21, 2017

Executive Board

James Edward Donaldson

Board Of Directors

Arne Djernæs Hansen
Chairman

Claus Østergaard
Pedersen

James Edward Donaldson

To the Shareholder of SCR Ciklum A/S**Opinion**

We have audited the financial statements of SCR Ciklum A/S for the financial year 01.01.16 - 31.12.16, which comprise the income statement, balance sheet, statement of changes in equity and notes, inclusive of accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.16 and of the results of the company's operations for the financial year 01.01.16 - 31.12.16 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing 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 financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement regarding the management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 International Standards on Auditing and the 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 these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 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 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Næstved, May 21, 2017

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Lars Pedersen
State Authorized Public Accountant

Primary activities

The company's activities comprise delivering consultancy services to medium and large IT users and suppliers. The company has both activities on the Danish and international markets.

Development in activities and financial affairs

The income statement for the period 01.01.16 - 31.12.16 shows a profit/loss of DKK 867,790 against DKK -83,085 for the period 01.01.15 - 31.12.15. The balance sheet shows equity of DKK 8,075,205.

The management considers the net profit for the year to be satisfactory.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		2016 DKK	2015 DKK
	Gross profit	817.186	560.094
1	Staff costs	0	-637.353
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	817.186	-77.259
	Depreciation, amortisation, impairment losses and write-downs of property, plant and equipment	-14.067	-32.196
	Profit/loss before net financials	803.119	-109.455
2	Financial income	307.496	414.190
	Financial expenses	-938	-323.684
	Profit/loss before tax	1.109.677	-18.949
	Tax on profit or loss for the year	-241.887	-64.136
	Profit/loss for the year	867.790	-83.085
	Proposed appropriation account		
	Retained earnings	867.790	-83.085
	Total	867.790	-83.085

	31.12.16	31.12.15
	DKK	DKK
ASSETS		
Note		
Leasehold improvements	0	3.975
Other fixtures and fittings, tools and equipment	39.775	49.867
Total property, plant and equipment	39.775	53.842
Total non-current assets	39.775	53.842
Trade receivables	362.719	669.481
Receivables from group enterprises	7.771.445	7.173.959
Deferred tax asset	7.766	8.124
Other receivables	647.708	121.926
Prepayments	2.055	1.261
Total receivables	8.791.693	7.974.751
Cash	13.826	47.729
Total current assets	8.805.519	8.022.480
Total assets	8.845.294	8.076.322

EQUITY AND LIABILITIES		31.12.16	31.12.15
		DKK	DKK
Note			
	Share capital	3.750.000	3.750.000
	Retained earnings	4.325.205	3.457.415
	Total equity	8.075.205	7.207.415
	Payables to other credit institutions	120	120
	Trade payables	528.440	808.227
	Income taxes	241.529	60.560
	Total short-term payables	770.089	868.907
	Total payables	770.089	868.907
	Total equity and liabilities	8.845.294	8.076.322

3 Contingent liabilities

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.01.15 - 31.12.15		
Balance pr. 01.01.15	3.750.000	3.540.500
Net profit/loss for the year	0	-83.085
Balance as at 31.12.15	3.750.000	3.457.415
Statement of changes in equity for 01.01.16 - 31.12.16		
Balance pr. 01.01.16	3.750.000	3.457.415
Net profit/loss for the year	0	867.790
Balance as at 31.12.16	3.750.000	4.325.205

	2016	2015
	DKK	DKK
1. Staff costs		
Wages and salaries	0	498.914
Pensions	0	48.631
Other social security costs	0	16.640
Other staff costs	0	73.168
Total	0	637.353
Average number of employees during the year	0	1

2. Financial income

Interest, group enterprises	232.319	414.190
Other financial income	75.177	0
Total	307.496	414.190

3. Contingent liabilities*Other contingent liabilities*

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

4. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for reporting class C medium-sized.

Change in accounting policies

The company has implemented amendments to the Danish Financial Statements Act, see act no. 738 amending the Danish Financial Statements Act of 1 June 2015 (*lov nr. 738 om ændring af årsregnskabsloven m.v. af 1. juni 2015*). This includes new and amended disclosure and presentation requirements and amendments to provisions on recognition, measurement and classification. Amendments to provisions on recognition and measurement as well as classification are as follows:

Reassessment of residual values of property, plant and equipment

Previously, residual values of property, plant and equipment with limited useful lives were determined at the date of acquisition of the asset. In future, an annual revaluation of the residual values of property, plant and equipment must be carried out. In accordance with section 4 of the provisional executive order, the residual values of property, plant and equipment will initially be reassessed in 2016 by way of a change in accounting policies. Comparative figures have not been restated. The change in accounting policy has no impact on the income statement or equity.

Except for the areas mentioned above, the accounting policies have been applied consistently with the previous year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

4. Accounting policies - continued -

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue and cost of sales and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

4. Accounting policies - continued -**Depreciation, amortisation and impairment losses**

The amortisation and depreciation of property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated/amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful Residual lives, value, years per cent
Leasehold improvements	5
Other plant, fixtures and fittings, tools and equipment	3-5

The basis of depreciation/amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation/amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

4. Accounting policies - continued -**BALANCE SHEET****Property, plant and equipment**

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation/amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

4. Accounting policies - continued -

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

4. Accounting policies - continued -

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.