

# Signal Arkitekter ApS

Århusgade 88, 2.

2100 København Ø

## Annual Report 2020

The Annual Report was presented and adopted at  
the Annual General Meeting of the Company

on 9 July 2021



Maria Hultengren Larsson

*Chairman of the Annual General Meeting*

CVR No. 25 31 93 62

*This report contains 17 pages*

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and Executive Board have today discussed and adopted the annual report for Signal Arkitekter ApS for the financial year 1 January 2020 – 31 December 2020.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January 2020 – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the development and performance of the company's activities and of the company's results for the year and the financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, July 9<sup>th</sup>, 2021

Executive Board:

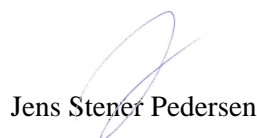
  
Gitte Andersen

Board of Directors:

  
Troels Bjerg  
Chairman

  
Andrew Price

  
Carsten Højlund

  
Jens Steen Pedersen

## **Independent auditor's report**

**To the shareholders of Signal Arkitekter ApS**

### **Opinion**

We have audited the financial statements of Signal Arkitekter ApS for the financial year 1 January – 31 December 2020, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as 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 as to 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 ISAs and 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

## **Independent auditor's report**

- ▶ 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 note 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.

### **Statement on the Management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, July 9<sup>th</sup>, 2021  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Claus Kronbak  
State Authorised  
Public Accountant  
mne28675

## **Company Information**

### **Company details**

Signal Arkitekter ApS  
Århusgade 88, 2.  
2100 København Ø

CVR No: 25 31 93 62  
Established: 1 April 2000  
Registered office: Copenhagen  
Financial year: 1 January - 31 December

### **Board of Directors**

Troels Bjerg (Chairman)  
Andrew Price  
Carsten Højlund  
Jens Stener Pedersen

### **Executive Board**

Gitte Andersen

### **Auditors**

EY Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
2000 Frederiksberg

### **Annual General Meeting**

The Annual General Meeting is expected to be held on July 9<sup>th</sup>, 2021 at Buddingevej 197, 2860 Søborg.

## **Management's Review**

### **Operating review**

The company's purpose is to carry out consulting architect business as well as any related business activities.

### **Development in activities and financial position**

Result for the period is a loss of DKK 5,764 thousand (2019: loss of DKK 1,423 thousand). The result for the period is not in line with the expectations. Total assets amount to DKK 11,488 thousand (2019: DKK 13,956 thousand) and Equity is DKK 2,896 thousand (2019: DKK 4,660 thousand).

The year was impacted significantly by the ISS Group-wide IT-malware attack in Feb 2020 but also obviously the COVID-19 lockdown enforced by the Danish government from March 2020 throughout the year.

The first mentioned IT-malware attack impacted the financial reporting in early 2020. Group IT recovered the critical systems and by April they were operational once again.

The second mentioned COVID-19 lockdown, however, have had significant negative operational impact on the Company. The loss of revenue from customers that postponed and/or cancelled workplace management decisions, was the primary reason for the loss-making net result for the year. Governmental salary compensation program has been utilized and an overview can be found in a separate note.

It was, during the year, decided by management, to seek salary compensation packages from the Danish government in several cases. Despite this helping to some extent, the compensation did not prove to provide a notable recovery of costs and the results were only marginally improve by this decision.

At the end of the year the Net loss for the year incurred was larger than the equity in the balance sheet. Thus, the Company recommended a capital increase from ISS Global to ensure a continuation of the business. This was approved and by the end of the year, capital of DKK 4,000 thousand was injected from ISS Global to Signal Arkitekter Aps.

### **Events after the balance sheet date**

For subsequent events, refer to note 10.

## Financial statements for period 1 January - 31 December 2020

### Income statement

	Note	2020 DKK'000	2019 DKK'000
<b>Gross profit</b>		7.974	20,226
Staff costs	2	-14.079	-20,845
Depreciation and amortisation	5,6	-1,058	-1,019
<b>Operating loss</b>		<b>-7,163</b>	<b>-1,638</b>
Financial income	3	6	10
Financial expenses	4	-159	-263
<b>Loss before tax</b>		<b>-7,316</b>	<b>-1,891</b>
Tax on profit for the year		1,552	468
<b>Net loss for the year</b>		<b>-5,764</b>	<b>-1,423</b>
<b>Proposed distribution of loss:</b>			
Retained earnings		-5,764	-1,423
		<b>-5,764</b>	<b>-1,423</b>



## Financial statements for period 1 January - 31 December 2020

### Balance sheet

	Note	2020	2019
		DKK'000	DKK'000
<b>ASSETS</b>			
Software		40	63
<b>Intangible assets</b>		40	63
Fixtures and fittings, tools, and equipment		82	131
Leasehold improvements		49	71
Right-of-use assets	5,6	3,505	3,980
<b>Property, plant and equipment and leases</b>		3,636	4,182
Other financial assets		446	476
<b>Financial assets</b>		446	476
<b>Non-current assets total</b>		<b>4,122</b>	<b>4,721</b>
Trade receivables		2,387	3,247
Contract work in progress		142	1,235
Receivables from companies within the ISS Group		4,304	2,985
Prepayments		160	340
Other receivables		7	21
<b>Current assets</b>		7,000	7,828
<b>Liquid funds</b>		366	1,407
<b>Current assets total</b>		<b>7,366</b>	<b>9,235</b>
<b>TOTAL ASSETS</b>		<b>11,488</b>	<b>13,956</b>

## Financial statements for period 1 January - 31 December 2020

### Balance sheet

	Note	2020	2019
		DKK'000	DKK'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		208	208
Retained earnings		2,688	4,452
<b>Total equity</b>		<b>2,896</b>	<b>4,660</b>
<b>Liabilities</b>			
Deferred tax		13	64
Holiday allowances		1,350	469
Lease obligations	7	2,857	3,225
<b>Non-current liabilities</b>		<b>4,220</b>	<b>3,758</b>
Lease obligations		835	848
Trade payables		234	619
Debt to ISS Group		32	105
Prepayments from customers		-	315
Other liabilities		3,271	3,651
<b>Current liabilities</b>		<b>4,372</b>	<b>5,538</b>
<b>Total liabilities</b>		<b>8,592</b>	<b>9,296</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,488</b>	<b>13,956</b>
<b>Lease obligation</b>	7		
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## Notes to the financial statements

### 1 Accounting policies

#### Basis of preparation

The financial statements for Signal Arkitekter ApS for the financial year ended 31 December 2020 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B.

The financial statements are presented in Danish kroner (DKK). All amounts have been rounded to nearest DKK thousand, unless otherwise indicated.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Recognition and measurement in general

Income is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each below. Recognition and measurement consider gains, losses and risks that arise before the annual report is presented and which prove or disprove matters existing at the balance sheet date.

#### Income statement

##### Gross profit or loss

Gross profit or loss comprise revenue, cost of sales and other external costs.

##### Revenue

With reference to section 32 of the Danish Financial Statement Act, revenue has not been disclosed in the income statement.

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Control is transferred over time as Signal Arkitekter ApS' performance does not create or enhances an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

The input method is used to measure progress towards complete satisfaction of the service because there is a direct relationship between incurred costs, and the work performed under a given contract.

Revenue excludes amounts collected on behalf of third parties, e.g. VAT and duties.

##### Cost of sales

Cost of sales comprise the product consumption measured at cost for the period.

## Notes to the financial statements

### 1 Accounting policies (*continued*)

#### Other external costs

Other external costs comprise costs related to the company's primary activities including office costs, sales promotion costs etc. Impairment losses on trade receivables are also included.

#### Staff costs

Staff costs comprise wages and salaries, pensions and other social costs for the company's employees.

#### Depreciation and amortisation

Depreciation and amortisation comprise depreciation on, amortisation of and impairment relating to property, plant and equipment and leases and intangible assets respectively.

#### Financial income and expenses

Financial income and expenses comprise interest income and expenses, interest on leased assets, realised and unrealised gains and losses on securities, gain and losses on transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as additions and reimbursement under the Danish prepayment scheme, etc.

#### Tax on profit/loss for the year

Tax for the year comprises the current tax for the year and changes in deferred tax. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

#### Balance Sheet

##### Intangible assets

Software are measured at cost less accumulated amortisation and less any accumulated impairment losses.

The cost comprises the purchase price and other directly attributable cost of preparing the assets for its intended use.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets, which are:

Software licenses	5 years
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## Notes to the financial statements

### 1 Accounting policies (*continued*)

Amortisation methods and useful lives are reassessed at each reporting date and adjusted prospectively if appropriate.

Software is written down to recoverable amount if it is lower than carrying amount.

#### Property, plant and equipment and leases

##### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

The cost comprises the purchase price and costs directly related to the acquisition until the date when the asset is ready for intended use.

Depreciation is based on the cost of the assets less its residual value calculated on a straight-line basis over the expected useful lives of the assets, which are:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years (the lease term)

Depreciation methods and useful lives are reassessed at each reporting date and adjusted prospectively if appropriate.

Property, plant and equipment are written down to recoverable amount if it is lower than carrying amount.

##### Leases

Leases are recognized at the commencement date of the lease. Leases are measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurements of lease liabilities.

Cost comprise the amount of lease liabilities recognized, initial direct cost and dismantling and restoration costs incurred as well as lease payments made at or before the commencement date less any lease incentives received.

Leases are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset. Buildings are depreciated over 5 years and cars over 2 years.

##### Other financial assets

This category comprise assets related to deposits for the office rental agreement for Signal offices in Århusgade, København. The amount is adjusted annually following contractual increases included in rental agreement with the landlord.

## Notes to the financial statements

### 1 Accounting policies (*continued*)

#### Receivables

Receivables are measured at amortised cost, which usually approximates the nominal value, less impairment losses. Impairment losses are recognised when objective evidence indicates that an individual receivable or a portfolio of receivables with similar risk characteristics is impaired.

#### Contract work in progress

Contract work in progress is measured at the selling price of the work performed at the reporting date.

The selling price is measured based on the stage of completion and the total expected income for each ongoing work. The stage of completion is measured by the ratio of actual resource consumption and the budgeted resource consumption.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

The individual contract work in progress is recognised in the balance sheet under receivables or liabilities, depending on whether the net value, which is calculated as the selling value price prepaid payments received, is positive or negative.

#### Prepayments

Prepayments comprise costs incurred relating to subsequent financial years and is measured at cost.

Prepayments comprise costs incurred relating to subsequent financial years and is measured at cost.

#### Liquid funds

Liquid funds comprise cash and bank deposits.

#### Corporation tax and deferred tax

The company is covered by the Danish rules of joint taxation with the ultimate Danish holding company ISS A/S and other Danish subsidiaries. ISS A/S is the administration company for the joint taxation and settles all tax payments with the tax authorities. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). Payable and receivable joint tax contributions are recognised in the balance sheet as receivables or debt to affiliates.

Deferred tax is measured in accordance with the liability method and comprises all temporary differences between accounting and tax values of assets and liabilities. When alternative taxation rules can be applied to determine the tax base, deferred tax is measured according to management's intended use of the assets or settlement of the liability, respectively.

Deferred tax is measured according to the taxation rules and tax rates applicable at the reporting date when the deferred tax is expected to be realised as current tax.

Deferred tax assets, including the tax base of tax losses carried forward, are recognised at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities.

## Notes to the financial statements

	2020	2019
	DKK'000	DKK'000
<b>2 Staff costs</b>		
Wages and salaries	12,582	18,456
Pensions	1,306	2,154
Other social security costs	191	235
	<u>14,079</u>	<u>20,845</u>
Average number of full-time employees	<u>23</u>	<u>32</u>
<b>3 Financial income</b>		
Interest income from companies within the ISS Group	6	10
	<u>6</u>	<u>10</u>
<b>4 Financial expenses</b>		
Interest expenses	102	190
Loss on foreign exchange	-	9
Other financial expenses	57	65
	<u>159</u>	<u>263</u>
<b>5 Right-of-use assets, buildings</b>		
Cost at 1 January	4,618	-
Adoption of IFRS 16	-	4,618
Addition	527	-
Cost at 31 December	<u>5,145</u>	<u>4,618</u>
Amortisation at 1 January	-769	-
Amortisation	-877	-769
Amortisation at 31 December	<u>-1,646</u>	<u>-769</u>
<b>Carrying amount at 31 December</b>	<u>3,499</u>	<u>3,849</u>

## Notes to the financial statements

	2020	2019
	DKK'000	DKK'000
<b>6 Right-of-use assets, cars</b>		
Cost at 1 January	288	-
Adoption of IFRS 16	-	288
Disposal	-136	
Cost at 31 December	<u>152</u>	<u>288</u>
Amortisation at 1 January	-157	-
Amortisation	-87	-157
Disposal	98	
Amortisation at 31 December	<u>-146</u>	<u>-157</u>
<b>Carrying amount at 31 December</b>	<u>6</u>	<u>131</u>

### 7 Lease obligations

Lease debt with a maturity of more than 5 years amount to DKK 0 thousand.

### 8 Special note regarding salary compensation

COVID-19 compensation	636	0
<b>Total amount received in government grants</b>	<u>636</u>	<u>0</u>

### 9 Contingent liabilities

The company is jointly taxed with the Danish companies in the ISS Group. Together with the other Danish companies, the company have a joint and unlimited liability of Danish corporation taxes and Danish withholding taxes on dividends, interests and royalties in the joint taxation. At 31 December 2020, the jointly taxed companies' net liabilities to SKAT amounted to DKK 0 thousand. Any subsequent corrections of the taxable income subject to joint taxation may entail that the Company's liability will increase.

In addition, there are no company liabilities not recognised in the financial statement.

### 10 Related parties

Signal Arkitekter ApS's related parties comprise the following:

#### Parties exercising control

ISS Global A/S owns 100% of the shares of the company. The company is included in the consolidated financial statements for ISS Global A/S (CVR no. 21 40 83 95) and Danish holding company ISS A/S (CVR no. 28 50 47 99), both Buddingevej 197, DK - 2860 Søborg.



### **Transactions with related parties**

Besides deposits, loans and interest on the outstanding balances there have been no further transactions with related parties.

## **Notes to the financial statements**

### **11 Subsequent events**

We are not aware of events subsequent to 31 December 2020, which are expected to have a material impact on Signal Arkitekter ApS' financial position.