



Annual Report for

KILROY Group Travel A/S

25497759

Annual Report was approved at
the Annual General Meeting
6. April 2020

Claus Hejlesen
Chairman

Contents

Contents	2
Submission information	3
Statement by the Board of Directors and Management	5
Auditor's reports	6
Management's review	9
Accounting policies	12
Income Statement 1. January 2019 - 31. December 2019	16
Balance	17
Assets	17
Liabilities	18
Statement of changes in equity	19
Notes	20
Note 1.....	20
Note 2.....	20
Note 3.....	21
Note 4.....	21
Note 5.....	21
Note 6.....	22
Note 7.....	22
Note 8.....	23
Note 9.....	23
Note 10.....	23
Note 11.....	25
Note 12.....	26

Submission information

Report

Information on type of submitted report

Årsrapport

Entity

Identification number [CVR]

25497759

Name

KILROY Group Travel A/S

Date of foundation

2000-06-22

Registered office

Copenhagen K.

Telephone number

70220535

Homepage

www.kilroy.dk

Address , street name

Nytorv

Address , street building identifier

5

Address , post code identifier

1450

Address , district name

Copenhagen K

Auditor

Identification number

mne26779

First name and surname

Anja Bjørnholt Lûthcke

Identification number [CVR] of audit firm

25578198

Name of audit firm

KPMG Statsautoriseret revisionspartnerselskab

Description

State Authorised Public Accountant

Address , street name

Dampfærgevej

Address , street building identifier

28

Address , post code identifier

2100

Address , district name

Copenhagen

Executive board

First name and surname of member (1)

Henrik Kaltoft

Supervisory board

First name and surname of member (1)

Claus Hincheli Hejlesen

Title of member (1)

Chairman

First name and surname of member (2)

Henrik Kaltoft

First name and surname of member (3)

Lars Holst-Mikkelsen

Information on enterprise submitting report

Identification number [CVR] of submitting enterprise

10915295

Name of submitting enterprise

Kilroy International A/S

Address of submitting enterprise, street and number

Nytorv 5

Address of submitting enterprise, post code and district name

1450 København K

Other informations

Reporting period start date	2019-01-01
Reporting period end date	2019-12-31
Date of general meeting	2020-04-06
First name and surname of chairman of general meeting or person, who acts as chairman	Claus Hejlesen
Class of reporting entity	Reporting class C, medium-size enterprise
Type of auditor assistance	Revisionspåtegning
Reporting period start date last year	2018-01-01
Reporting period end date last year	2018-12-31
Currency:	DKK

Internal

Statement by the Board of Directors and Management

Statement by management

Statement by the Board of Directors and Management

KILROY Group Travel A/S is a subsidiary of KILROY International A/S which is an international travel company with headquarters in Denmark.

Identification of approved annual report

The Board of Directors and the Managing Director have today approved the annual report for the financial year 1 January - 31 December 2019 for KILROY Group Travel A/S.

Confirmation that annual report is presented in accordance with requirements provided for by legislation, any standards and requirements provided by articles of association or by agreement

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

Confirmation that financial statements gives true and fair view of assets, liabilities, equity, financial position and results

It is our opinion, that the Financial Statement gives a fair and true view of KILROY Group Travel A/S' assets, liabilities and financial position at December 31, 2019 and of the result of KILROY Group Travel A/S' operations for the financial year January 1 - December 31, 2019.

Management's statement about management's review

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

Recommendation of annual report for approval by general meeting

The Annual Report is sent for approval for the annual general meeting.

Date of approval of annual report

Copenhagen K, 6. April 2020

Executive board

Henrik Kaltoft

Supervisory board

Claus Hincheli Hejlesen
Chairman

Henrik Kaltoft

Lars Holst-Mikkelsen

Auditor's reports

The independent auditor's reports (Audit)

Independent Auditor's Report

Addressee of auditor's report on audited financial statements

To the shareholder of KILROY Group Travel A/S

Opinion on audited financial statements (audit)

Opinion

We have audited the financial statements of KILROY Group Travel A/S for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity, notes and 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 Company's assets, liabilities and financial position at December 31, 2019 and of the results of the Company's operations for the financial year January 1 - December 31, 2019 in accordance with the Danish Financial Statement Act.

Basis for conclusion (Audit)

Basis for opinion

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

Material uncertainty concerning going concern (audit)

Uncertainty in relation to going concern

We draw attention to note 11 in the financial statements, where it is described that COVID-19 is expected to have a material negative effect on the Company's earnings and liquidity in 2020.

As stated in note 11, there is uncertainty related to the extent that the relief packages will support the company's earnings and liquidity, hereunder to what extent the company's earnings and liquidity will be impacted by COVID-19

in the coming year, which may cast doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Statement on management's review [Auditor's report on audited financial statements]

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 Statement Act. We did not identify any material misstatement of the Management's review.

Statement of executive and supervisory board's responsibility for financial statements (Audit)

Management's Responsibility 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 that 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.

Statement of auditor's responsibility for the audit of the financial statements (Audit)

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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the 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 company 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.

Copenhagen

6. April 2020

Anja Bjørnholt Lûthcke

State Authorised Public Accountant

KPMG Statsautoriseret revisionspartnerselskab

25578198

mne26779

Internasjonal

Management's review

Management's review

Management's review

Description of significant activities of entity

Main activities

The main activity – which remains unchanged from previous years – is to carry on sale of travel related services under the two brands KILROY and BENNS.

Sales are conducted from the premises in Holstebro.

Description of any uncertainty connected with recognition or measurement

Uncertainty relating to recognition and measurement

There has not been any uncertainty regarding recognition and measurement in the annual report.

Description of development in activities and financial affairs

Development in activities, finances, and other events during the year

Turnover increased according to plans whereas EBITDA was below expectation. Still the result for 2019 is considered satisfactory.

In 2016, KILROY Group Travel A/S sold its 27.6% stake in Ski Group A/S to the majority shareholder, Højmark Holding ApS. Ski Group A/S was the result of a merger of Team Benns Ski and Højmark Rejser A/S back in 2011. The principles for calculating the share price was settled in a court of arbitration in 2017, and in favour of KILROY Group Travel A/S. The final share price should will be concluded upon the presentation of Ski Group A/S' subsequent annual accounts. According to available information from Ski Group A/S, the determining years turned out surprisingly lower than previous years and budget. This situation has required a negative correction of the previously recognized selling price. For 2019 the correction amounted to DKK 4 million and the equity has been adjusted accordingly.

Description of expected development

Guidance for 2020

The budgeted expectation for 2020 was that the company would deliver a turnover at the same level as in 2019 and an EBITDA in the range of DKK 4-6 million. However, the appearance of COVID-19 has the consequence that these targets will not be met. At the time of the approval of the 2019 accounts the markets in which the company operates are facing widespread travel bans and until these bans are lifted it will be difficult to assess the impact on the 2020 result.

The Covid-19 event is considered to represent a non-adjusting post balance sheet event as at December 31, 2019, given that, at that date, only few cases had been confirmed and the virus was only just identified.

No other material events than the COVID-19 virus have occurred since the balance sheet date that would affect the assessment of the Annual Report for 2019.

Description of knowledge resources

Intellectual capital

In order to maintain a sustainable development of the business and complementary areas, our employees are central. Hence, training and competence upgrade within travel are continuously prioritized.

The entity's exposure to price risk, credit risk, liquidity risk and cash flow risk

Risk assessment

Operating globally, the travel industry is by nature affected by numerous risks. The majority of these are beyond our control, such as war, terror, natural disasters and political unrest.

Each year brings new and sometimes extraordinary challenges to the travel industry. Every link in the value chain is constantly challenged, either by traditional suppliers, new players or by the customers themselves. As in many other industries, the Internet has created an atmosphere of "direct trading is cheapest". We address this challenge by constantly focusing on internal training and customer service, and by making value-addition tangible and apparent to customers.

The financial risk of doing business in multiple countries and currencies is reduced through cautious execution by the KILROY Group's cash management function, which has established policies to ensure that currency exposure is mitigated to the extent possible.

The KILROY Group only hedges commercial exposures. The primary financial instruments include currency forward contracts.

Statement of corporate social responsibility

Corporate Social Responsibility (CSR)

In accordance with the Danish Financial Statements Act §99a information on KILROY Group Travels A/S' Corporate Social Responsibility policy can be found in the annual report of the parent company KILROY International A/S and on the website kilroy.net/policies.

Statement of the diversity policies

Statement on gender composition

In accordance with the Danish Financial Statements Act §99b information on KILROY Group Travels A/S' Gender composition policy can be found in the annual report of the parent company KILROY International A/S and on the website kilroy.net/policies.

Details on key figures and financial ratios

mio.	Current year	Previous year	2 years ago	3 years ago	4 years ago
Return on equity	32%	15%	38%	92%	65%
Revenue	238	233	210	235	225
Net financials	1	0	9	18	4
Profit (loss)	8	5	19	32	18
Assets	99	109	114	104	97
Equity	28	25	40	42	27
Average number of employees	42	52	50	46	44

Details on other key figures and financial ratios

EBITDA (Mio.)	10	7	10	17	19
Ordinary operating profit (EBIT) (Mio.)	10	7	10	17	18
Profit before income tax (EBT) (Mio.)	11	6	19	35	22
Non-current assets (Mio.)	0	1	1	0	4
Current assets (Mio.)	99	108	113	104	93
Share capital (Mio.)	1	1	1	1	1
Current liabilities (Mio.)	71	84	74	61	68
Investments in tangible assets (Mio.)	0	0	0	0	0
EBITDA - Margin (%)	4%	3%	5%	7%	8%

Return on assets (%)	10%	6%	9%	16%	19%
Liquidity ration (%)	139%	129%	154%	169%	136%
Equity ratio (%)	28%	23%	35%	41%	28%

Internal

Accounting policies

Disclosure of accounting policies

Accounting Policies

General

The Annual Report for 2019 for KILROY Group Travel A/S is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class medium-C companies as opposed to reporting class large- C in previous years.

Change of reporting class has not caused changes in accounting policies compared to previous years.

The accounting policies applied, as described below, are consistent with those applied last year. There has been minor reclassifications in the income statement and the balance sheet. Comparative figures have been restated accordingly.

Pursuant to section 96(3) of the Danish Financial Statements Act, fee paid to the Company's auditor appointed at the general meeting has not been disclosed.

The information is disclosed in the financial statements for the Parent Company KILROY International A/S.

Correction to previous years

In connection with the preparation of the financial statements for 2019, Management has discovered that the financial statements for 2017 and 2018 included an error regarding recognition of the divestments of shares in Ski Group A/S. The transaction was recognised in 2017 and 2018 as best estimate on the basis of the expected figures, based on budget and received unaudited figures. However the determining years figures turned out surprisingly lower than previous years and budget. The reason most likely being related to errors in the earlier received information. Due to the materiality, Management has treated the error in accordance with the provisions in section 52(2) of the Danish Financial Statements Act regarding correction of errors in previous years, and thus the comparative figures and equity 1 January 2018 have been restated in the financial statements for 2019. The restatement has entailed a reduction of DKK 4 million in equity at 31 December 2017. Total assets have been reduced by DKK 4 million.

Class of reporting entity

Reporting class C, medium-size enterprise

Accounting policies applied to balance sheet items

Balance Sheet

Description of methods of recognition and measurement basis of property, plant and equipment

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Assets are written down if their value has depreciated and cannot be seen as appreciating in the near future.

Cost comprises the purchase price and any direct costs directly attributable to the acquisition until the date on which the asset is available for use. The cost includes retirement obligations if it meets the conditions for recognition of provisions.

Depreciation is calculated on a straight-line basis of the cost according to the following guidelines, based on the estimated economic life of the asset

- Equipment 5 years
- Leasehold improvements 5 years
- IT and other equipment 3-5 years

Description of methods of recognition and measurement basis of impairment losses for fixed assets

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write-downs are reversed when the basis for the write-down no longer exists.

Description of methods of recognition and measurement basis of inventories

Inventories

Goods for resale are measured at cost price.

Write-downs are made according to obsolescence and other forms of value depreciation.

Description of methods of recognition and measurement basis of receivables

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired.

Description of methods of recognition and measurement basis of liabilities other than provisions

Liabilities other than provisions

Prepayments from customers, trade payables and other payables are measured at net realizable value.

Description of methods of recognition and measurement basis of tax payables and deferred tax

Deferred Tax assets and liabilities

Deferred tax is recognised on all temporary differences between the carrying amount and tax-base value of assets and liabilities, for which the taxbased value of assets is calculated based on the planned use of each assets.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their

estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement or equity, respectively.

Description of methods of current tax receivables and liabilities

Current tax payable or receivable

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the onaccount taxation scheme are recognised in the income statement in financial income and expenses.

Description of methods of recognition and measurement basis for prepayments received

Prepayments

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

Description of methods of recognition and measurement basis of equity

Equity

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Accounting policies applied to income statement items

Profit and Loss Account

Description of methods of recognition and measurement basis of revenue

Turnover

Turnover includes the year's sales of travel products and other services.

Turnover from individual-oriented products are booked at the time of invoicing, regardless of departure date.

Turnover from group travel products are booked in the accounting period that coincides with the departure date of the trip.

Turnover is measured at the fair value of the agreed remuneration excluding VAT. All discounts granted are included in revenue.

Description of methods of recognition and measurement basis of cost of sales

Cost of products

Cost of products comprises invoiced and accrued cost of travel related products and other services incurred by generated revenue of the year.

Description of methods of recognition and measurement basis of other operating expenses

Other operating expenses

Other operating expenses include expenses related to premises, stationery and office supplies, marketing costs etc. This item also includes writedowns of receivables recognised in current assets.

Description of methods of recognition and measurement basis of finance income and expenses

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest and surcharges/allowances regarding tax.

Description of methods of recognition and measurement basis of tax expense

Tax

The current Danish corporation tax is allocated among the jointly-taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). Tax for the year comprises current tax, joint taxation and changes in deferred tax for the year, including adjustments to tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

The Company is part of a joint taxation arrangement with the Parent Company. KILROY International A/S is

administrator for the joint taxation.

Description of methods of recognition and measurement basis of employee expense

Salaries and other personnel expenses

Personnel costs mainly include costs for salaries, pensions and other social security costs.

Description of methods of impairment losses and depreciation

Depreciations and amortizations

Amortisation and depreciation comprise amortisation and depreciation of property, plant and equipment.

Explanation of not disclosing cash flows statements

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The cash flow statement is included in the consolidated cash flow statement for KILROY International A/S.

Description of methods of translation of foreign currencies

Foreign currency conversion

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement in cost of products.

inter

Income Statement 1. January 2019 - 31. December 2019

	Note	01-01-2019 31-12-2019 x1000 DKK	01-01-2018 31-12-2018 x1000 DKK
Gross			
Revenue	1	237.990	233.023
Cost of sales		-190.396	-185.339
Gross profit (loss)		47.594	47.684
Operations			
Employee expense	2	-17.467	-21.831
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-211	-231
Other operating expenses		-20.149	-19.107
Ordinary			
Other finance income		1.052	225
Other finance expenses		-49	-491
Profit (loss) from ordinary activities before tax		10.770	6.249
Tax expense	4	-2.369	-1.375
Profit (loss)	5	8.401	4.874

Balance

Assets

	Note	31-12-2019 x1000 DKK	31-12-2018 x1000 DKK
Assets...			
Property, plant and equipment...			
Fixtures, fittings, tools and equipment		200	292
Leasehold improvements		101	220
Property, plant and equipment i alt:	6	301	512
Non-current assets		301	512
Current assets...			
Inventories		422	445
Receivables...			
Short-term trade receivables		20.930	19.872
Short-term receivables from group enterprises		61.237	61.465
Current deferred tax assets	7	42	29
Short-term tax receivables		500	883
Other short-term receivables		274	9.015
Deferred income assets	8	9.314	12.331
Cash and cash equivalents		6.133	4.192
Current assets i alt:		98.852	108.232
Assets i alt:		99.153	108.744

Liabilities

	Note	31-12-2019 x1000 DKK	31-12-2018 x1000 DKK
Liabilities and equity...			
Equity...			
Contributed capital		1.100	1.100
Retained earnings		9.124	18.723
Proposed dividend recognised in equity	5	18.000	5.000
Equity i alt:		28.224	24.823
Liabilities other than provisions...			
Short-term prepayments received from customers		35.768	43.831
Short-term trade payables		31.292	34.607
Other short-term payables		3.870	5.482
Short-term liabilities other than provisions		70.929	83.921
Liabilities other than provisions i alt:		70.929	83.921
Liabilities and equity i alt:		99.153	108.744
Disclosure of other finance income	3		
Disclosure of contingent assets	9		
Disclosure of related parties	10		
Disclosure of uncertainties relating to going concern	11		
Disclosure of significant events occurring after end of reporting period	12		

Statement of changes in equity

Statement of changes in Equity

Equity

	Share capital 000 DKK	Retained earnings 000 DKK	Proposed dividend 000 DKK	Total equity 000 DKK
Equity 1.1.2019	1.100	22.723	20.000	43.823
Correction to previous years		-4.000		-4.000
Adjusted equity 1.1.2019	1.100	18.723	20.000	39.823
Transferred over the profit appropriation	0	-9.599	18.000	8.401
Dividends paid	0	0	-20.000	-20.000
Equity 31.12.2019	1.100	9.124	18.000	28.224

The share capital comprises of 11.000 shares of DKK 100 each.

There has been no changes to issued capital during the past five years.

Inte

Notes

Note 1

Disclosure of revenue

Notes

Turnover

With reference to the exemption-on-prejudice provision in section 96(1) of the Danish Financial Statements Act the company has omitted to provide segment information. The reason for the omission is that the information can cause serious damage.

Note 2

Disclosure of employee expense

Salaries and other personnel expenses

Salaries and other personnel expenses are specified as follows

	2019	2018
	000 DKK	000 DKK
Wages and salaries	15.651	20.020
Pensions	768	922
Other social security costs	95	118
Total salaries and related expenses	16.514	21.060
Other personnel expenses	952	771
Total salaries and other personnel expenses	17.466	21.831
Average number of employees (full year equivalents)	42	52

Remuneration to Board of Directors and registered management are included in the Management fee from the parent company.

Note 3

Disclosure of other finance income

Financial income and expenses	2019	2018
Financial income and expenses are specified as follows	000 DKK	000 DKK
Interest income from affiliated companies	1.049	225
Other financial income	3	0
	1.052	225
Financial expenses	-49	-2.018
Total financial income and expenses	1.003	-1.793

Note 4

Disclosure of tax expenses

Tax on profit of the year	2019	2018
Tax on profit of the year are specified as follows	000 DKK	000 DKK
Joint tax contribution	2.383	1.386
Adjustment of deferred tax for the year	-14	-11
	2.369	1.375

Note 5

Disclosure of the managements proposed distribution of profit (loss)

Appropriation of net profit	2019	2018
Detaljer om resultatdisponering	x1000	x1000
Proposed dividend recognised in equity	18.000	5.000

Retained earnings	-9.599	-126
Total distribution	8.401	4.874

Note 6

Disclosure of property, plant and equipment

Property, plant and equipment	Equipment	IT hardware	Leasehold improvements	Total
	000 DKK	000 DKK	000 DKK	000 DKK
Cost at the beginning of 2019	946	274	429	1.649
Cost at the end of 2019	946	274	429	1.649
Depreciations at the beginning of 2019	-654	-274	-209	-1.137
Depreciations for the year	-92	0	-119	-211
Depreciations at the end of 2019	-746	-274	-328	-1.348
Carrying amount at the end of 2019	200	0	101	301
Carrying amount at the end of 2018	292	0	220	512

Note 7

Disclosure of deferred tax assets and liabilities

Deferred tax asset	2019	2018
Changes in deferred income tax are as follows	000 DKK	000 DKK
Deferred income tax asset at beginning of year	-29	-18
Change in deferred tax	-14	-11
Deferred income tax asset at the end of year	-42	-29
Leasehold improvements	-23	-9
IT hardware and other equipments	-19	-20
	-42	-29
Deferred tax asset		

Calculated tax asset	-42	-29
Carrying amount at the end of 2019	-42	-29
Deferred tax asset has been activated at 22% corresponding to the current tax rate.		

Note 8

Explanation of deferred income

Prepaid expenses and accrued income

Prepaid expenses consists of payments to suppliers that relate to the following year.

Note 9

Disclosure of contingent assets

Contingent assets, liabilities and secured debt

	2019	2018
	000 DKK	000 DKK
Supplier contractual obligations within one year	1.020	4.026
Rent and lease obligations within one year	333	660
Rent and lease obligations between one and five years	-	384
	1.353	5.070

The company is a member of Rejsegarantifonden and KILROY International A/S has issued a bank guarantee of tDKK 1.800 as security.

As a subsidiary to KILROY International A/S, KILROY Group Travel A/S operates under joint taxation along with other danish companies in the KILROY Group.

The current Danish corporation tax is allocated among the jointly-taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). The Danish Companies are jointly and severally liable for the joint taxation.

Note 10

Disclosure of related parties

Related parties

KILROY Group Travel A/S' related parties comprise the following

Eignarhaldsfélagið KILROY ehf, Laugavegur 182, 105 Reykjavík

SSTS A/S, Nytorv 5, 1450 Copenhagen K

Horizons A/S, Nytorv 5, 1450 Copenhagen K

KILROY International A/S, Nytorv 5, 1450 Copenhagen K

KILROY Belgium B.V.B.A., Sint-Pietersnieuwstraat 105, 9000 Gent

OY KILROY Finland AB, Kaivokatu 10 D, 00100 Helsinki

KILROY Iceland ehf., Skólavörðustígur 3A, 101 Reykjavík

KILROY Netherlands B.V., Singel 413-415, 1012 Amsterdam

KILROY Norway AS, Kirkegata 15, 0153 Oslo

KILROY Poland Sp. Z o.o., Inflancka 4A, 00189 Warszawa

KILROY Sweden AB, Drottninggatan 83, 111 60 Stockholm

JR Travel A/S, Nytorv 5, 1450 Copenhagen K

OY Frank Students AB, Fabianinkatu 28, 00100 Helsinki

Winberg Travel AB, Stora Torg 17, 241 30 Eslöv

Membership of the Board of Directors in one or more of the Group's subsidiaries is not remunerated separately but considered as part of senior management responsibilities, thus part of their ordinary remuneration.

KILROY Group Travel A/S is a part of the consolidated annual report for KILROY International A/S, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of KILROY International A/S can be found at www.KILROY.dk

KILROY Group Travel A/S is a part of the consolidated annual report of Eignarhaldsfélagið KILROY ehf, which is the largest group in which the Company is included as a subsidiary.

The consolidated financial statements of Eignarhaldsfélagið KILROY ehf can be obtained by contacting the company.

Ultimate Parent Company Eignarhaldsfélagið KILROY ehf has at the date of this financial statement, not issued their financial statement for 2019.

Related party transactions

	2019	2018
	000 DKK	000 DKK
Sale of services to Group entities	235	1.169

Sale of services to parent company	294	0
Purchase of services from Group entities	-1.773	-2.702
Purchase of services from parent company	-10.450	-9.600
Total	-11.694	-11.133

Remuneration to the Management and Board of Directors is disclosed in note 2.

Intercompany balances with the parent company are disclosed in the balance sheet, and expensed interest is disclosed in note 3.

Note 11

Disclosure of uncertainties relating to going concern

Uncertainty in relation to going concern

The COVID-19 pandemic is expected to have a severely negative effect on the Company's earnings and liquidity in 2020.

The rapid spread of the COVID-19 virus in early 2020 has prompted worldwide travel restrictions. This has unleashed an unprecedented number of cancellations and reimbursements to the Company's customers, and effectively halted all sales of new travel products for an undetermined period. Most international travel bans have been set to apply until around mid-April, but management expects they will be extended until the end of May 2020.

The entire travel industry has been severely affected by COVID-19, and the Danish government has issued legislation on various forms of financial support and relief packages.

Included is a law which provides a state guaranteed loan to the members of the Danish Rejsegarantifonden (The Guarantee Fund) of DKK 1.5 billion. At the same time, the statute of the Travel Guarantee Fund is being extended to compensate in this particular situation for reimbursement costs related to cancelled travels in connection with Covid-19 during the period from March 13, 2020, when the Ministry of Foreign Affairs tightened its travel guidelines, and until April 13, 2020. The loan must be repaid by the travel companies over a number of years.

Based on the above combined with the Company initiatives towards suppliers and a planned cost reduction program, it is the management's assessment that we hold sufficient financial means to maintain and continue the operation for the 12 months following the date of the financial statement. Yet, the management recognize that the COVID-19 may cause long-term doubt over the Company's ability to continue operation.

Also, based on experience from other major events such as terror and natural disasters, it is management's expectation that, after the crisis has passed, most of the Company's customer segments will quickly return to buy new travel arrangements. The younger customers, especially, have shown resilience.

Note 12

Disclosure of significant events occurring after end of reporting period

Subsequent events

The Covid-19 event is considered to represent a non-adjusting post balance sheet event as at December 31, 2019, given that, at that date, only few cases had been confirmed and the virus was only just identified.

No material events have occurred since the balance sheet date that would affect the assessment of the annual report for 2019.

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