

Studio Steven Scott ApS
Øster Allé 42, 2100 København Ø

Annual report

2018

Company reg. no. 25 67 17 91

The annual report was submitted and approved by the general meeting on the 17 June 2019.

Steven Robert Scott
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Page

Reports

- 1 Management's report
- 2 Independent auditor's report

Management's review

- 5 Company data
- 6 Management's review

Annual accounts 1 January - 31 December 2018

- 7 Accounting policies used
- 10 Profit and loss account
- 11 Balance sheet
- 13 Notes

Management's report

The managing director has today presented the annual report of Studio Steven Scott ApS for the financial year 1 January to 31 December 2018.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København Ø, 6 June 2019

Managing Director

Steven Robert Scott

Independent auditor's report

To the shareholders of Studio Steven Scott ApS

Opinion

We have audited the annual accounts of Studio Steven Scott ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 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 below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainties concerning the enterprise's ability to continue as a going concern

We draw attention to the fact that the company have lost its contributed capital and therefore is subject to the capital loss rules in the Danish companies act, § 119. Our opinion is not qualified in respect of this matter.

Furthermore, we draw attention to Note 1 to the annual report which describe that the shareholder financially will support the company at least until 31 December 2018 and that the shareholder's outstanding balance is subordinated to other creditors. Our opinion is not qualified in respect of this matter.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 6 June 2019

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant
mne25346

Company data

The company

Studio Steven Scott ApS
Øster Allé 42
2100 København Ø

Company reg. no. 25 67 17 91
Established: 15 October 2000
Domicile: Copenhagen
Financial year: 1 January - 31 December
18th financial year

Managing Director

Steven Robert Scott

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø
Phone +45 35 38 48 88
www.martinsen.dk

Subsidiary

Square Root Solar IVS, Copenhagen

Associated enterprise

Scotialight ApS i likvidation, Copenhagen

Management's review

The principal activities of the company

The activity of the company is making art and architectural projects.

Development in activities and financial matters

The gross profit for the year is DKK 558.250 against DKK 59.816 last year. The results from ordinary activities after tax are DKK 162.379 against DKK 53.316 last year.

The company's shareholder has signed a letter in which the shareholder declares that he will fund - and have the capacity to pay - the company with sufficient liquidity to ensure the company's continued operation in the current form, at least until 31 December 2019.

Furthermore the shareholder has declared, that his outstanding balance, (100 t.DKK) with the company is subordinated to other debt / creditors.

The accounts are on this basis prepared with continued operation in mind.

Accounting policies used

The annual report for Studio Steven Scott ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement and administration.

Accounting policies used

Other operating costs

Other operating costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Financial fixed assets

Equity investments in group enterprises and associated enterprises

Equity investments in group enterprises and associated enterprises are recognised in the balance sheet at a proportional share of the assessed value.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises and associated enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises and associated enterprises.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accounting policies used

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Gross profit	558.250	59.816
3 Other operating costs	-387.961	0
Operating profit	170.289	59.816
Other financial costs	-7.910	-6.500
Results before tax	162.379	53.316
Tax on ordinary results	0	0
Results for the year	162.379	53.316
 Proposed distribution of the results:		
Allocated to results brought forward	162.379	53.316
Distribution in total	162.379	53.316

Balance sheet 31 December

All amounts in DKK.

Assets	2018	2017
Note	<u> </u>	<u> </u>
Fixed assets		
4 Equity investments in group enterprises	1	1
Financial fixed assets in total	<u>1</u>	<u>1</u>
Fixed assets in total	<u>1</u>	<u>1</u>
Current assets		
Raw materials and consumables	405.000	410.000
Inventories in total	<u>405.000</u>	<u>410.000</u>
Other debtors	71.225	0
Accrued income and deferred expenses	343.466	0
Debtors in total	<u>414.691</u>	<u>0</u>
Current assets in total	<u>819.691</u>	<u>410.000</u>
Assets in total	<u>819.692</u>	<u>410.001</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities	<u>2018</u>	<u>2017</u>
Note		
Equity		
5 Contributed capital	125.000	125.000
6 Results brought forward	<u>-639.627</u>	<u>-802.006</u>
Equity in total	<u>-514.627</u>	<u>-677.006</u>
Liabilities		
Bank debts	245.607	311.197
Trade creditors	673.107	320.992
Other debts	<u>415.605</u>	<u>454.818</u>
Short-term liabilities in total	<u>1.334.319</u>	<u>1.087.007</u>
Liabilities in total	<u>1.334.319</u>	<u>1.087.007</u>
Equity and liabilities in total	<u>819.692</u>	<u>410.001</u>

1 Uncertainties concerning the enterprise's ability to continue as a going concern**2 Special items****7 Mortgage and securities**

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company's shareholder has signed a letter in which the shareholder declares that he will fund - and have the capacity to pay - the company with sufficient liquidity to ensure the company's continued operation in the current form, at least until 31 December 2019.

Furthermore the shareholder has declared, that his outstanding balance (100 t.DKK) with the company is subordinated to other debt / creditors.

The accounts are on this basis prepared with continued operation in mind.

2. Special items

The company has sued a former lawyer for the company. Costs related to this action for a total is DKK 343 thousand and is capitalized under accruals.

The management expects the case against the former lawyer to be won.

	<u>2018</u>	<u>2017</u>
3. Other operating costs		
Writedown relating to amounts owed by Square Root Solar IVS	387.961	0
	<u>387.961</u>	<u>0</u>

4. Equity investments in group enterprises

Acquisition sum, opening balance 1 January 2018	1	0
Additions during the year	<u>0</u>	<u>1</u>
Cost 31 December 2018	<u>1</u>	<u>1</u>
Book value 31 December 2018	<u>1</u>	<u>1</u>

Group enterprises:

	Domicile	Share of ownership
Square Root Solar IVS	Copenhagen	100 %

Notes

All amounts in DKK.

	<u>31/12 2018</u>	<u>31/12 2017</u>
5. Contributed capital		
Contributed capital 1 January 2018	<u>125.000</u>	<u>125.000</u>
	<u>125.000</u>	<u>125.000</u>
6. Results brought forward		
Results brought forward 1 January 2018	-802.006	-855.322
Profit or loss for the year brought forward	<u>162.379</u>	<u>53.316</u>
	<u>-639.627</u>	<u>-802.006</u>
7. Mortgage and securities		

There has been issued a mortgage of 500,000 DKK security for the bank. There is provided an absolute guarantees to secure bank.