

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Nytorv 5,

1450 København K

CVR No. 26746760

Annual Report 2022

21. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 29 June 2023

Milos Milenkovic
Chairman

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

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ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Management's Statement

Today, Management has considered and adopted the Annual Report of ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION) for the financial year 1 January 2022 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

The conditions for not conducting an audit of the Financial Statement have been met.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 9 June 2023

Supervisory Board

Milos Milenkovic
Chairman

Coleman Byrne
Member

Sanita Rugina
Member

Ulf Banser
Member

Matthew John East
Member

Michal Bucko
Member

Corey Grist
Member

Veronika Rastvortseva
Member

Marcus Ehasoo
Member

Niina Kristiina Latine
Member

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

The independent practitioner's report

To the shareholders of ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Conclusion

We have performed an extended review of the financial statements of ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION) for the financial year 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of the 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.

Practitioner's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

The independent practitioner's report

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 extended review 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 extended review, 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 materially misstatement in the Management's review.

Copenhagen, 9 June 2023

SkatteInform Statsautoriseret

Revisionspartnerselskab

CVR-no. 35394206

Inge Nilsson

State Authorised Public Accountant

mne9880

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Company details

Company	ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION) Nytorv 5, 1450 København K
CVR No.	26746760
Financial year	1 January 2022 - 31 December 2022
Supervisory Board	Milos Milenkovic Coleman Byrne Sanita Rugina Ulf Banser Matthew John East Michal Bucko Corey Grist Veronika Rastvortseva Marcus Ehasoo Niina Kristiina Latine
Auditors	SkatteInform Statsautoriseret Revisionspartnerselskab Frederiksborggade 54 1. TV 1360 København K
Telephone	45 33321010
E-mail	Info@SkatteInform.dk
Website	www.SkatteInform.dk CVR-no.: 35394206

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Management's Review

The Association's principal activities

The Association's principal activities consist in to make the ISIC card a must-have for students all over the world. The object will be met by increasing educational opportunities, facilitating a better student life, improving intercultural understanding and student exchange as well as by strengthening student relations across nationalities and increasing cooperation between educational institutions across the globe. The implication of must-have may be tailored across countries to comprise one or more propositions adding value to the ID membership, access keys or (digital) platforms. The cornerstone to realizing this mission and the objectives is, to the widest extent possible, to promote the knowledge of the ISIC card and the recognition of the card as the primarily accepted international student identity card. The ISIC card provides the holder with access to many different benefits, discounts and exciting experiences while studying.

Development in the activities and the financial situation of the Association

The association's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of EUR -4.490 and the Balance Sheet at 31 December 2022 a balance sheet total of EUR 2.191.189 and an equity of EUR 2.108.678.

Material changes in the association's operations and financial matters

There are no significant material changes in the Association's operations and financial matters.

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Accounting Policies

Reporting Class

The annual report of ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION) for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in EUR.

Translation policies

Transactions in foreign currencies are translated into EUR at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into EUR based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Accounting Policies

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end if it is possible to calculate the income reliably. The revenue is exclusive of VAT and net of sales discounts.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Completed development projects	5 years	0%

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Balance sheet

Intangible assets

Development projects that are clearly defined and identifiable, and where the degree of technical utilization, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Accounting Policies

Other development costs are recognised as costs in the income statement as they incur.

Development costs comprise costs, including wages, salaries and amortization, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

Capitalized development costs are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortization and the recoverable amount.

An impairment test of acquired intangible assets is performed in the event of indications of a decrease in value. Furthermore, annual impairment tests are performed for ongoing and activated development projects, if any. The impairment test is performed for each individual asset and group of assets, respectively. The assets are written down to the higher of the asset's or asset group's value in use and the net selling price (recoverable amount) in the event that this one is lower than the carrying amount.

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Merchandises are measured at cost comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Development cost reserve

Development cost reserve includes recognised development costs. The reserve is not available for the payment of dividend or losses. The reserve is deducted or dissolved by depreciation of the recognized costs or abandonment of the activity. Such reduction or dissolution is made by means of a transfer to distributable reserves.

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Accounting Policies

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Income Statement

	Note	2022 EUR	2021 EUR
Gross profit		241.034	65.314
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-241.701	-277.196
Profit from ordinary operating activities		-667	-211.882
Finance expenses		-3.823	-4.570
Profit from ordinary activities before tax		-4.490	-216.452
Profit		-4.490	-216.452
Proposed distribution of results			
Retained earnings		-4.490	-216.452
Distribution of profit		-4.490	-216.452

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Balance Sheet as of 31 December

	Note	2022 EUR	2021 EUR
Assets			
Completed development projects	1	432.952	455.303
Intangible assets		432.952	455.303
Fixed assets			
Manufactured goods and goods for resale		45.467	47.490
Inventories		45.467	47.490
Short-term trade receivables		71.527	16.347
Short-term receivables from group enterprises		273.805	246.789
Other short-term receivables		59.931	38.458
Deferred income		0	42.383
Receivables		405.263	343.977
Cash and cash equivalents		1.307.507	1.344.919
Current assets		1.758.237	1.736.386
Assets		2.191.189	2.191.689

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)**Balance Sheet as of 31 December**

	Note	2022 EUR	2021 EUR
Liabilities and equity			
Reserve for development expenditure		432.952	455.303
Retained earnings		1.675.726	1.657.865
Equity		2.108.678	2.113.168
Trade payables		48.004	56.454
Other payables		0	13.942
Deferred income, liabilities		34.507	8.125
Short-term liabilities other than provisions		82.511	78.521
Liabilities other than provisions within the business		82.511	78.521
Liabilities and equity		2.191.189	2.191.689

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Statement of changes in Equity

	Development expenditure	Retained earnings	Total
Equity 1 January 2022	455.303	1.657.865	2.113.168
Equity transfers to reserves	-22.351	22.351	0
Profit (loss)		-4.490	-4.490
Equity 31 December 2022	432.952	1.675.726	2.108.678

ISIC ASSOCIATION (INTERNATIONAL STUDENT IDENTITY CARD ASSOCIATION)

Notes

	2022	2021
1. Completed development projects		
Cost at the beginning of the year	1.017.736	819.468
Addition during the year, incl. improvements	218.203	198.268
Cost at the end of the year	1.235.939	1.017.736
Depreciation and amortisation at the beginning of the year	-562.433	-285.237
Amortisation for the year	-240.554	-277.196
Impairment losses and amortisation at the end of the year	-802.987	-562.433
Carrying amount at the end of the year	432.952	455.303

The capitalized development costs relate to the ongoing development of a mobile app and a service website and is straight-line amortized from the time of completion through the period in which it is expected to generate economic benefits. The amortization period is maximum five years. The nature of the assets and the related products and processes are clearly defined and maintained separately from other infrastructure through its own specific source code structure. Both the app and the website are continuously used by the ISIC community of students and ISIC exclusive representatives and authorized offices and they play a crucial part in the deliver of the benefits the student community gains through their ISIC cards. In a highly digital global environment through the borderless app and website infrastructure the same benefits can be enjoyed by students indifferently of their origin, in a waste network of locations throughout the globe. The assets are carefully budgeted and managed throughout the year to ensure a smooth deliver of the services to the ISIC student and internal community. The costs attributable to the project are furthermore clearly identifiable, given that it mainly consists of vendor-supplied know-how and development work.