

## **K/S Meadow Way**

G1 Ringstedvej 61, 4300 Holbæk  
CVR no. 29 16 97 05

### **Annual report for 2020**

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 19.03.21

Peter Christian Møgelberg Hansen  
Dirigent



**STATSAUTORISERET**  
REVISIONSPARTNERSELSKAB

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CVR-nr. 32 89 54 68

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**The company**

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K/S Meadow Way  
c/o Advodan I/S  
Gl Ringstedvej 61  
4300 Holbæk  
Registered office: Holbæk  
CVR no.: 29 16 97 05  
Financial year: 01.01 - 31.12

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**Executive Board**

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Peter Christian Møgelberg Hansen

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**Auditors**

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Beierholm  
Statsautoriseret Revisionspartnerselskab

## **Statement by the Executive Board on the annual report**

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I have on this day presented the annual report for the financial year 01.01.20 - 31.12.20 for K/S Meadow Way.

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

In my opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.20 and of the results of the company's activities for the financial year 01.01.20 - 31.12.20.

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

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

Holbæk, March 19, 2021

### **Executive Board**

Peter Christian Møgelberg Hansen

## **Independent auditor's report on extended review**

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### **To the owners of K/S Meadow Way**

#### **Conclusion**

We have performed an extended review of the financial statements of K/S Meadow Way for the financial year 01.01.20 - 31.12.20 which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Based on the work performed, in our opinion, the financial statements give a true and fair view of the company's assets, equity and liabilities and financial position as at 31.12.20 and the company's financial performance for the financial year 01.01.20 - 31.12.20 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 'Auditor'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' 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### **Statement regarding the management's review**

The management is responsible for the management's review.

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

In connection with our extended review of the financial statements, it is our responsibility to read the management's review and in this connection consider whether the management's review is materially inconsistent with the financial statements or the knowledge we have obtained during our extended review, or in any other way appears to be materially misstated.

## Independent auditor's report on extended review

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

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

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

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

In preparing the financial statements, Management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the 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 primarily consisting 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.

## **Independent auditor's report on extended review**

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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.

Slagelse, March 19, 2021

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Anders Søding Paulsen  
State Authorized Public Accountant  
MNE-no. mne34326

**Primary activities**

The company's activities comprise the renting out of the property located at Wellmeadow Lodge, Meadow Way, Crookfur, Glasgow G77, Scotland.

**Development in activities and financial affairs**

The income statement for the period 01.01.20 - 31.12.20 shows a profit/loss of DKK 6,495,114 against DKK'000 -30 for the period 01.01.19 - 31.12.19. The balance sheet shows equity of DKK 21,655,299.

**Subsequent events**

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



## Income statement

Note		2020	2019
		DKK	DKK '000
	<b>Gross profit</b>	<b>5,618,647</b>	<b>3,522</b>
	Fair value adjustment of investment properties	848,625	5,064
	<b>Operating profit</b>	<b>6,467,272</b>	<b>8,586</b>
1	Financial income	4,626,256	172
2	Financial expenses	-4,598,414	-8,788
	<b>Profit/loss for the year</b>	<b>6,495,114</b>	<b>-30</b>
<b>Proposed appropriation account</b>			
	Retained earnings	6,495,114	-30
	<b>Total</b>	<b>6,495,114</b>	<b>-30</b>

## Balance sheet

ASSETS			
Note		31.12.20	31.12.19
		DKK	DKK '000
	Investment properties	90,615,800	89,767
3	<b>Total property, plant and equipment</b>	<b>90,615,800</b>	<b>89,767</b>
	<b>Total non-current assets</b>	<b>90,615,800</b>	<b>89,767</b>
	Other receivables	2,243	68
	<b>Total receivables</b>	<b>2,243</b>	<b>68</b>
	<b>Cash</b>	<b>566,800</b>	<b>1,342</b>
	<b>Total current assets</b>	<b>569,043</b>	<b>1,410</b>
	<b>Total assets</b>	<b>91,184,843</b>	<b>91,177</b>

## Balance sheet

## EQUITY AND LIABILITIES

Note		31.12.20 DKK	31.12.19 DKK '000
4	Share capital	100,000	100
	Retained earnings	21,555,299	15,060
	<b>Total equity</b>	<b>21,655,299</b>	<b>15,160</b>
5	Mortgage debt	66,462,570	71,078
	<b>Total long-term payables</b>	<b>66,462,570</b>	<b>71,078</b>
5	Short-term part of long-term payables	329,512	4,453
	Payables to group enterprises	2,482,597	197
	Other payables	254,865	289
	<b>Total short-term payables</b>	<b>3,066,974</b>	<b>4,939</b>
	<b>Total payables</b>	<b>69,529,544</b>	<b>76,017</b>
	<b>Total equity and liabilities</b>	<b>91,184,843</b>	<b>91,177</b>

6 Fair value information

7 Charges and security

## Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.20 - 31.12.20			
Balance as at 01.01.20	100,000	15,060,185	15,160,185
Net profit/loss for the year	0	6,495,114	6,495,114
Balance as at 31.12.20	100,000	21,555,299	21,655,299

	2020	2019
	DKK	DKK '000

### 1. Financial income

Other interest income	14,752	16
Foreign currency translation adjustments	4,611,504	156
Total	4,626,256	172

### 2. Financial expenses

Interest, group enterprises	70,021	10
Other interest expenses	4,356,205	4,517
Foreign currency translation adjustments	172,188	4,261
Total	4,598,414	8,788

### 3. Property, plant and equipment

Figures in DKK	Investment properties
Cost as at 01.01.20	145,376,084
Cost as at 31.12.20	145,376,084
Fair value adjustments as at 01.01.20	-55,608,909
Fair value adjustments during the year	848,625
Fair value adjustments as at 31.12.20	-54,760,284
Carrying amount as at 31.12.20	90,615,800

#### 4. Share capital

The company's share capital amounts to DKK'000 100. DKK'000 100 has been paid in cash to the company.

#### 5. Long-term payables

	Repayment first year DKK	Outstanding debt after 5 years DKK	Total payables at 31.12.20 DKK	Total payables at 31.12.19 DKK '000
Mortgage debt	329,512	65,144,522	66,792,082	75,531
Total	329,512	65,144,522	66,792,082	75,531

#### 6. Fair value information

Figures in DKK	Investment pro- perties	Total
Fair value as at 31.12.20	90,615,800	90,615,800
Changes for the year of fair value recognised in the income statement	848,625	848,625

The investment of the company is recognised in the annual report at market value according to a yield based valuation model. The property is leased to one tenant on a very long tenure (until September 2035) and with an obligation for the tenant to incur all expenses regarding the property throughout the tenure. Thus, the property generates a very steady and predictable operating return. Therefore, a yield based valuation model is preferable. The property is recognised at a valuation of DKK'000 90,616 at 31.12.2020 according to the management's valuation model using a yield of 6.0%.

## 7. Charges and security

The company has entered into a loan agreement with Bank of Ireland together with K/S Hardy Avenue, K/S Crane Lane and K/S Meadow Way. The loan is secured through legal charge of the companies' property and rental income. The book value of the mortgaged property is DKK'000 89,767. Furthermore, the company's cash assets have been pledged in favor of the bank. The pledged accounts comprise DKK'000 567.

## 8. Accounting policies

### GENERAL

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

The accounting policies have been applied consistently with previous years.

### Basis of recognition and measurement

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

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

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

### CURRENCY

The annual report is presented in Danish kroner (DKK).

### INCOME STATEMENT

#### Gross profit

Gross profit comprises rental income and other external expenses.

#### Rental income

Income from the rental of properties is recognised in the income statement for the relevant period. Rental income is measured at fair value and determined exclusive of VAT and discounts.



**8. Accounting policies - continued -****Other external expenses**

Other external expenses comprise expenses relating to the company's ordinary activities.

**Depreciation, amortisation and impairment losses**

Investment properties are not depreciated.

**Fair value adjustment of investment properties**

Unrealised value adjustments of investment properties and realised gains and losses on the sale of assets are recognised in the fair value adjustment of investment properties.

**Other net financials**

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

Amortisation of capital losses and borrowing costs relating to financial liabilities is recognised on an ongoing basis as financial expenses.

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

The company is not an independent tax entity. Tax is therefore not recognised in the financial statements, as current and deferred tax is payable by the limited partners and the general partner.

**BALANCE SHEET****Property, plant and equipment***Investment properties*

Investment properties comprise investments in land and buildings for the purpose of earning a return on such investments in the form of regular operating income and capital gains on sale. Investment properties are recognised at cost at the date of acquisition. Cost comprises the purchase price plus expenses resulting directly from the purchase until the asset is ready for use. Investment properties are subsequently measured at fair value with value adjustments in the income statement. The fair value is calculated by applying an individually determined discount rate to the capitalisation of a market-based operating income from the property. A valuer has not been used to determine the fair value.

**8. Accounting policies - continued -**

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

**Impairment losses on fixed assets**

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

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

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

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

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

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

**Receivables**

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

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

**Cash**

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

**8. Accounting policies** - continued -**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

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