BEIERHOLM
VI SKABER BALANCE

Frankly A/S

Kronprinsessegade 54, 3., 1306 København K
CVR no. 29 20 67 75

Annual report for 2023

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 23.02.24

Jesper Strøm Madsen
Dirigent

Table of contents

Company information etc.

The company

Frankly A/S
Kronprinsessegade 54, 3.
1306 København K
Registered office: København K
CVR no.: 29 20 67 75
Financial year: 01.01 - 31.12

Executive Board

Nicolai Brøndal Wichmann

Board of Directors

Jesper Strøm Madsen, chairman
Nicolai Brøndal Wichmann
Chris Pedersen
Klavs Valskov

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for Frankly A/S.

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 company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We 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.

Copenhagen, February 23, 2024

Executive Board

Nicolai Brøndal Wichmann

Board of Directors

Jesper Strøm Madsen Chairman	Nicolai Brøndal Wichmann
Chris Pedersen	Klavs Valskov

To the shareholder of Frankly A/S

Opinion

We have audited the financial statements of Frankly A/S for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant 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 financial position at 31.12.23 and of the results of the company's operations for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

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’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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, it is our responsibility is to read management’s review and, in doing so, consider whether 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 management’s review provides the information required under the Danish Financial Statements Act.

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

Management's responsibilities for the financial statements

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

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

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 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.

Soeborg, Copenhagen, February 23, 2024

Beierholm
Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Morten Clement Skov	Torben Mortensen
State Authorized Public Accountant	Registered Public Accountant
MNE-no. mne35432	MNE-no. mne18040

Primary activities

The object of the Company is to carry on commercial business and production, primarily related to internet and web-based activities, but also TV, video, film advertising, multimedia, music, and other related activities.

Development in activities and financial affairs

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK 1,886,357 against DKK 10,391,849 for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK 5,934,915.

Subsequent events

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

Treasury shares

Treasury shares consist of:

	Purchase-/salesprice DKK	Quantity	Total nominal value DKK	Percent of capital
Additions during the year	4,975,160	80,000	80,000	12.2%
Disposals for the year	-80,000	-80,000	-80,000	-12.2%
Holding of treasury shares as at 31.12.23		0	0	0%

The company has during the year acquired treasury shares, which have subsequently been cancelled through a reduction of share capital.

Income statement

Note		2023 DKK	2022 DKK
	Gross profit	**39,197,811**	**46,621,336**
1	Staff costs	-35,744,304	-32,596,776
	Profit before depreciation, amortisation, write-downs and impairment losses	**3,453,507**	**14,024,560**
2	Depreciation and impairments losses of property, plant and equipment	-1,064,661	-943,804
	Operating profit	**2,388,846**	**13,080,756**
3	Income from equity investments in group enterprises	304,959	197,405
	Financial income	164,655	409,384
	Financial expenses	-460,490	-338,569
	Profit before tax	**2,397,970**	**13,348,976**
4	Tax on profit for the year	-511,613	-2,957,127
	Profit for the year	**1,886,357**	**10,391,849**

Proposed appropriation account

	2023 DKK	2022 DKK
Reserve for net revaluation according to the equity method	209,446	0
Extraordinary dividend for the financial year	5,000,000	0
Retained earnings	-3,323,089	10,391,849
Total	**1,886,357**	**10,391,849**

Balance sheet

ASSETS

Note		31.12.23 DKK	31.12.22 DKK
	Leasehold improvements	2,642,943	2,990,416
	Other fixtures and fittings, tools and equipment	1,544,165	2,154,501
5	**Total property, plant and equipment**	**4,187,108**	**5,144,917**
6	Equity investments in group enterprises	648,031	344,072
7	Deposits	455,265	406,550
	Total investments	**1,103,296**	**750,622**
	Total non-current assets	**5,290,404**	**5,895,539**
8	Work in progress for third parties	893,561	985,141
	Trade receivables	8,281,721	19,755,672
	Receivables from group enterprises	10,110	2,279,628
	Income tax receivable	57,990	1,672,000
	Other receivables	94,196	50
	Prepayments	453,108	381,674
	Total receivables	**9,790,686**	**25,074,165**
	Cash	**2,154,902**	**2,903,365**
	Total current assets	**11,945,588**	**27,977,530**
	Total assets	**17,235,992**	**33,873,069**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.23 DKK	31.12.22 DKK
	Contributed capital	576,000	656,000
	Reserve for net revaluation according to the equity method	554,745	346,305
	Retained earnings	4,804,170	13,022,419
	Total equity	**5,934,915**	**14,024,724**
	Provisions for deferred tax	456,359	261,468
	Total provisions	**456,359**	**261,468**
9	Other payables	1,364,217	1,923,040
	Total long-term payables	**1,364,217**	**1,923,040**
9	Short-term part of long-term payables	111,472	106,577
	Payables to other credit institutions	0	2,597
8	Prepayments received from work in progress for third parties	3,143,174	9,047,156
	Trade payables	857,320	2,901,102
	Payables to group enterprises	564,288	117,299
	Income taxes	0	3,100,428
	Other payables	4,774,247	2,388,678
	Deferred income	30,000	0
	Total short-term payables	**9,480,501**	**17,663,837**
	Total payables	**10,844,718**	**19,586,877**
	Total equity and liabilities	**17,235,992**	**33,873,069**

10 Contingent liabilities
11 Charges and security

Statement of changes in equity

Figures in DKK	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the financial year	Total equity
Statement of changes in equity for 01.01.22 - 31.12.22					
Balance as at 01.01.22	656,000	346,305	2,630,651	8,200,000	11,832,956
Dividend paid	0	0	0	-8,200,000	-8,200,000
Other changes in equity	0	0	-81	0	-81
Net profit/loss for the year	0	0	10,391,849	0	10,391,849
Balance as at 31.12.22	656,000	346,305	13,022,419	0	14,024,724
Statement of changes in equity for 01.01.23 - 31.12.23					
Balance as at 01.01.23	656,000	346,305	13,022,419	0	14,024,724
Foreign currency translation adjustment of foreign enterprises	0	-1,006	0	0	-1,006
Capital reduction	-80,000	0	80,000	0	0
Purchase of treasury shares	0	0	-4,975,160	0	-4,975,160
Extraordinary dividend paid	0	0	-5,000,000	0	-5,000,000
Net profit/loss for the year	0	209,446	1,676,911	0	1,886,357
Balance as at 31.12.23	576,000	554,745	4,804,170	0	5,934,915

	2023 DKK	2022 DKK

1. Staff costs

	2023 DKK	2022 DKK
Wages and salaries	30,883,341	28,452,996
Pensions	1,456,553	1,217,250
Other social security costs	369,590	335,411
Other staff costs	3,034,820	2,591,119
Total	35,744,304	32,596,776
Average number of employees during the year	53	51

2. Depreciation and impairments losses of property, plant and equipment

	2023 DKK	2022 DKK
Depreciation of property, plant and equipment	1,064,661	943,804
Total	1,064,661	943,804

3. Income from equity investments in group enterprises

	2023 DKK	2022 DKK
Share of profit or loss of group enterprises	304,959	197,405
Total	304,959	197,405

4. Tax on profit for the year

	2023 DKK	2022 DKK
Current tax for the year	318,010	3,100,428
Adjustment of deferred tax for the year	194,891	-146,092
Adjustment of tax in respect of previous years	-1,288	2,791
Total	511,613	2,957,127

5. Property, plant and equipment

Figures in DKK	Leasehold improvements	Other fixtures and fittings, tools and equipment
Cost as at 01.01.23	5,356,771	7,967,783
Additions during the year	23,379	83,473
Disposals during the year	-1,181,271	-3,821,964
Cost as at 31.12.23	4,198,879	4,229,292
Depreciation and impairment losses as at 01.01.23	-2,366,355	-5,813,282
Depreciation during the year	-370,852	-693,809
Reversal of depreciation of and impairment losses on disposed assets	1,181,271	3,821,964
Depreciation and impairment losses as at 31.12.23	-1,555,936	-2,685,127
Carrying amount as at 31.12.23	2,642,943	1,544,165

6. Equity investments in group enterprises

Figures in DKK	Equity investments in group enterprises
Cost as at 01.01.23	93,286
Cost as at 31.12.23	93,286
Revaluations as at 01.01.23	250,793
Foreign currency translation adjustment of foreign enterprises	-1,007
Net profit/loss from equity investments	304,959
Revaluations as at 31.12.23	554,745
Carrying amount as at 31.12.23	648,031

Name and registered office:	Ownership interest	Equity DKK	Net profit/loss for the year DKK
Associates:			
Frankly Italy S.R.L., Italy	100%	233,893	79,977
Frankly Lithuania UAB, Lithuania	100%	373,127	183,078
Frankly US Inc., USA	100%	41,011	41,904

7. Other non-current financial assets

Figures in DKK	Deposits
Cost as at 01.01.23	406,551
Additions during the year	48,714
Cost as at 31.12.23	455,265
Carrying amount as at 31.12.23	455,265

	31.12.23 DKK	31.12.22 DKK

8. Work in progress for third parties

Work in progress for third parties	54,611,457	25,084,626
On-account invoicing	-56,861,070	-33,146,641
Total work in progress for third parties	-2,249,613	-8,062,015
Work in progress for third parties	893,561	985,141
Prepayments received from work in progress for third parties, short-term payables	-3,143,174	-9,047,156
Total	-2,249,613	-8,062,015

9. Long-term payables

Figures in DKK	Repayment first year	Outstanding debt after 5 years	Total payables at 31.12.23	Total payables at 31.12.22
Other payables	111,472	139,541	1,475,689	2,029,617
Total	111,472	139,541	1,475,689	2,029,617

10. Contingent liabilities

Lease commitments

The company has entered into lease agreements with payment in the coming year for total leasing services of DKK 829.076.

11. Charges and security

Assets charged and collateral- Mortgage debt is secured by way of mortgage on properties. Themortgage also comprises the plant and machinery deemed part of the property.

Debt to other credit institutions are secured by way of a deposited mortgage deed registered to the mortgagor on Inventories, trade receivables, goodwill, other intangible fixed assets and other fixtures and fittings, tools and equipment of T.DKK 5,000 nominal.

The carrying amount of trade receivables is T.DKK 8,282
The carrying amount of other fixtures and fittings, tools and equipment is T.DKK 1,544

12. 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 with application of provisions for a higher reporting class.

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).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

12. Accounting policies - continued -

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, other operating income and cost of sales and other external expenses.

Revenue

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise’s activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

12. Accounting policies - continued -

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Leasehold improvements	10	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Income from equity investments in group entreprises and associates

For equity investments in equity investments in subsidiaries and associates, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses. For associates only the proportionate share of intercompany gains and losses is eliminated.

Income from equity investments in equity investments in subsidiaries and associates also comprises gains and losses on the sale of equity investments.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

12. Accounting policies - continued -

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the ‘Depreciation and impairment losses' section.

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.

Equity investments in group entreprises and associates

Equity investments in group enterprises

Equity investments in subsidiaries are recognised and measured according to the equity method. For equity investments in subsidiaries, the equity method is considered a measurement method, and reference is made to the 'Equity method' section for further details.

12. Accounting policies - continued -

Equity investments in associates

Equity investments in associates are recognised and measured according to the equity method. For equity investments in associates, the equity method is considered a measurement method, and reference is made to the 'Equity method' section for further details.

Equity method

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Under subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

For equity investments measured according to the equity method, the proportionate share of the equity investments' equity value is determined according to the accounting policies of the parent, stated in the other sections.

Gains or losses on disposal of equity investments

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

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.

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.

12. Accounting policies - continued -

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.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Work in progress for third parties

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

12. Accounting policies - continued -

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank account.

Equity

The net revaluation of equity investments measured according to the equity method is recognized in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

12. 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 financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.