

**MG Labour Service ApS**

Gødstrup Bygade 7

4684 Holmegaard

CVR no. 32 33 59 42

**Annual Report 2015/16**

The Annual Report was adopted at the Annual General  
Meeting of the Company on 1/12 2016

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Monika Gozdzik-Bronke  
Chairman of the general meeting

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## Management's Statement on the Annual Report

The Executive Board has today considered and approved the Annual Report of MG Labour Service ApS for the financial year 1 July 2015 - 30 June 2016.

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

In my opinion, the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2016 and of the Company's operations for the year 1 July 2015 - 30 June 2016.

We recommend that the Annual Report be adopted by the Annual General Meeting of shareholders.

Gødstrup, 30 November 2016

Executive Board

Monika Gozdzik-Bronke

## Independent Auditor's Report

To the Shareholder of MG Labour Service ApS

We have audited the Financial Statements of MG Labour Service ApS for the financial year 1 July 2015 - 30 June 2016, which comprise summary of significant accounting policies, income statement, balance sheet and notes, for the Company. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### Management's Responsibility for the Financial Statements

The 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 the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

## Independent Auditor's Report

### Opinion

In our opinion, the financial statements gives a true and fair view of the Company's financial position at 30 June 2016 and of the results of the Company's operations for the financial year 1 July 2015 - 30 June 2016 in accordance with the Danish Financial Statements Act.

Vordingborg, 30 November 2016

### **Beierholm**

statsautoriseret revisionspartnerselskab  
CVR no.32 89 54 68

Ole Nørrelund Hansen  
State Authorised Public Accountant

## Company Information

The Company	<p>MG Labour Service ApS Gødstrup Bygade 7 4684 Holmegaard</p> <p>Telephone: 41834373 E-mail: mgl@mglabour.com CVR no.: 32 33 59 42 Financial year: 1 July - 30 June Municipality of reg. office: Næstved</p>
Main activity	The company's main activity is manpower rental.
Executive Board	Monika Gozdzik-Bronke
Auditors	<p>Beierholm statsautoriseret revisionspartnerselskab Algade 76, 1. 4760 Vordingborg</p>
Bank	Jyske Bank

## Accounting Policies

The Annual Report of MG Labour Service ApS for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to companies of reporting class B supplemented by selected rules applying to reporting class C.

The accounting policies are unchanged from last year.

### Recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. Similarly all expenses including depreciation, amortisation and impairment losses are 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially 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 maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the accumulated amortisation of any difference between cost and the nominal amount.

Recognition and measurement take into account predictable losses and risks occurring before presentation of the Annual Report, and which confirm or invalidate circumstances existing at the balance sheet date.

### Income Statement

#### Gross profit

The Company has applied § 32 of the Danish Financial Statements Act, thus not showing the revenue.

Gross profit is an aggregate of revenue, changes in inventories of finished goods, work in progress and goods for resale, as well as other operating income, reduced by cost of raw materials and consumables used and other external expenses.

#### Revenue

Revenue is recognised in the income statement, provided that delivery and transfer of risk to the buyer have taken place before the end of the year. Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Contract work in progress is recognised as the price for costs.

#### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables used to generate revenue for the year.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

## Accounting Policies

Other external expenses also comprise research and development costs that do not qualify for capitalisation.

### Staff costs

Staff costs comprise wages and salaries as well as payroll expenses.

### Financial income and expenses

Financial income and financial expenses are recognised in the income statement with the amounts related to the financial year. Financial income and financial expenses include interest, financial expenses as well as extra payments and repayment under the onaccount taxation scheme.

### Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

## Balance Sheet

### Receivables

Receivables are measured at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Each contract work in progress is recognised in the balance sheet under receivables or liabilities, depending on whether the net value, calculated as the sales value less prepayments received, is positive or negative.

Expenses related to sales work and securing contracts are recognised in the income statement as incurred.

### Deferred tax assets and liabilities

Current tax payable and receivable are recognised in the balance sheet as tax calculated on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities, based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax is measured in accordance with the tax rules and at the tax rates at the balance sheet date when the deferred tax is expected to be transformed to a current tax. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Any changes in deferred tax due to changes in tax rates are recognised in the income statement. For the current year a tax rate of 22,0% is used.



## Accounting Policies

### Debts

Other debts are measured at amortised cost.

## Income Statement 1 July - 30 June

	Note	2015/16 kr.	2014/15 kr.
Gross profit		19.754.660	18.334.742
Staff costs	1	<u>-16.242.324</u>	<u>-14.463.835</u>
Profit/loss before net financials		3.512.336	3.870.907
Financial expenses		<u>-6.930</u>	<u>-12.407</u>
Profit/loss before tax		3.505.406	3.858.500
Tax on profit/loss for the year	2	<u>-773.938</u>	<u>-910.602</u>
Net profit/loss for the year		<u><u>2.731.468</u></u>	<u><u>2.947.898</u></u>
Proposed distribution of profit			
Proposed dividend		101.200	99.800
Retained earnings		<u>2.630.268</u>	<u>2.848.098</u>
		<u><u>2.731.468</u></u>	<u><u>2.947.898</u></u>

## Balance Sheet at 30 June

	Note	2016 kr.	2015 kr.
ASSETS			
FIXED ASSETS			
Fixed asset investments			
Deposits		<u>36.775</u>	<u>30.500</u>
		<u>36.775</u>	<u>30.500</u>
Total fixed assets		<u>36.775</u>	<u>30.500</u>
CURRENT ASSETS			
Tilgodehavender			
Trade receivables		3.005.137	2.032.444
Contract work in progress	3	347.367	421.668
Other receivables		<u>5.057</u>	<u>4.558</u>
		<u>3.357.561</u>	<u>2.458.670</u>
Cash		<u>6.515.414</u>	<u>2.889.431</u>
Total current assets		<u>9.872.975</u>	<u>5.348.101</u>
TOTAL ASSETS		<u><u>9.909.750</u></u>	<u><u>5.378.601</u></u>

## Balance Sheet at 30 June

	Note	2016	2015
		kr.	kr.
LIABILITIES AND EQUITY			
EQUITY			
Share capital		50.000	50.000
Retained earnings		5.478.366	2.848.098
Proposed dividend for the year		101.200	99.800
		<u>          </u>	<u>          </u>
Total equity		<u>5.629.566</u>	<u>2.997.898</u>
LIABILITIES OTHER THAN PROVISIONS			
Long-term liabilities			
Corporation tax		0	117.462
		<u>          </u>	<u>          </u>
		0	117.462
		<u>          </u>	<u>          </u>
Short-term liabilities			
Prepayments received from customers		0	70.320
Trade payables		413.229	190.565
Corporation tax		891.400	0
Other payables		2.975.555	2.002.356
		<u>          </u>	<u>          </u>
		4.280.184	2.263.241
		<u>          </u>	<u>          </u>
Total liabilities other than provisions		<u>4.280.184</u>	<u>2.380.703</u>
TOTAL EQUITY AND LIABILITIES		<u>9.909.750</u>	<u>5.378.601</u>

## Notes to the Financial Statements

	2015/16	2014/15
	kr.	kr.
1 Staff costs		
Wages and salaries	14.103.884	12.647.495
Pensions	1.717.299	1.525.968
Other social security costs	380.280	290.372
Other staff costs	<u>40.861</u>	<u>0</u>
	<u><u>16.242.324</u></u>	<u><u>14.463.835</u></u>
 Average number of employees	<u>38</u>	<u>23</u>
 2 Tax on profit/loss for the year		
Tax for the year	<u>773.938</u>	<u>910.602</u>
	<u><u>773.938</u></u>	<u><u>910.602</u></u>
 3 Contract work in progress		
Work in progress, selling price	<u>347.367</u>	<u>421.668</u>
	<u><u>347.367</u></u>	<u><u>421.668</u></u>

## Notes to the Financial Statements

## 4 Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity 1. juli	0	2.848.098	99.800	2.947.898
Ordinary dividend paid	0	0	-99.800	-99.800
Net profit/loss for the year	0	2.630.268	101.200	2.731.468
Cash payments concerning formation of entity	50.000	0	0	50.000
Equity 30. juni	<u>50.000</u>	<u>5.478.366</u>	<u>101.200</u>	<u>5.629.566</u>

The share capital consists of 5 shares of a nominal value of kr. 10.000. No shares carry special rights. Share capital are specified as follows:

	2015/16 kr.	2014/15 kr.
Share capital 1. juli	50.000	0
Additions for the year	0	50.000
Disposals for the year	<u>0</u>	<u>0</u>
Share capital 30. juni	<u>50.000</u>	<u>50.000</u>