

# Nordsjællands Ejendomsinvest I ApS

Amaliegade 15, 2. sal, 1256 København K

CVR no. 32 44 88 28



## Annual report 2015

Approved at the annual general meeting of shareholders on 11 May 2016

Chairman:



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## Contents

Statement by the Executive Board	2
Independent auditors' report on the financial statements	3
Company details	4
Financial statements for the period 1 January - 31 December	5
Income statement	5
Balance sheet	6
Statement of changes in equity	8
Notes to the financial statements	9

## Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Nordsjællands Ejendomsinvest I ApS for the financial year 1 January - 31 December 2015.


The annual report is 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 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

We recommend the adoption of the annual report at the annual general meeting.

Copenhagen, 11 May 2016

Executive Board:

  
.....  
Mette Krog Hansen  
.....  
Katarzyna Jolanta  
Ciesielska  
.....  
Robert McCorduck

## Independent auditors' report on the financial statements

### To the shareholders of Nordsjællands Ejendomsinvest I ApS

We have audited the financial statements of Nordsjællands Ejendomsinvest I ApS for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

### *Auditors' 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 according to Danish audit regulations. 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 auditors' judgement, 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 auditors considers internal control relevant to the Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating 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.

Our audit has not resulted in any qualification.

### *Opinion*


In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Odense, 11 May 2016

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR No. 30 70 02 28



Morten Schougaard Sørensen  
State Authorised Public Accountant



## Management's review

Name	Nordsjællands Ejendomsinvest I ApS
Address, Postal code, City	Amaliegade 15, 2. sal, 1256 København K
CVR No.	32 44 88 28
Established	12 September 2009
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Mette Krog Hansen Katarzyna Jolanta Ciesielska Robert McCorduck
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P O Box 200, 5100 Odense C, Denmark



## Financial statements for the period 1 January - 31 December

### Income statement

Note	DKK	2015 12 months	2013/14 18 months
	<b>Gross profit</b>	23,222	49,285
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-141,022	-211,533
	<b>Operating profit/loss</b>	-117,800	-162,248
4	Financial income	0	1,104,573
5	Financial expenses	-147,147	-517,051
	<b>Profit/loss before tax</b>	-264,947	425,274
6	Tax for the year	4,543	-76,701
	<b>Profit/loss for the year</b>	-260,404	348,573
	<b>Proposed profit appropriation/distribution of loss</b>		
	Retained earnings/accumulated loss	-260,404	348,573
		-260,404	348,573



## Financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
7	<b>Property, plant and equipment</b>		
	Land and buildings	5,111,416	5,252,438
		<u>5,111,416</u>	<u>5,252,438</u>
	<b>Total non-current assets</b>	<u>5,111,416</u>	<u>5,252,438</u>
<b>Current assets</b>			
<b>Receivables</b>			
	Other receivables	113,539	116,000
	Deferred income	5,358	20,974
		<u>118,897</u>	<u>136,974</u>
	<b>Cash</b>	0	106,306
	<b>Total current assets</b>	<u>118,897</u>	<u>243,280</u>
	<b>TOTAL ASSETS</b>	<u><u>5,230,313</u></u>	<u><u>5,495,718</u></u>

## Financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK	2015	2014
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
8	Share capital	500,000	500,000
	Retained earnings	-2,507,400	-2,246,996
	<b>Total equity</b>	<u>-2,007,400</u>	<u>-1,746,996</u>
	<b>Liabilities other than provisions</b>		
9	<b>Non-current liabilities other than provisions</b>		
	Mortgage debt	6,086,933	6,295,476
	Other payables	159,465	123,905
		<u>6,246,398</u>	<u>6,419,381</u>
	<b>Current liabilities other than provisions</b>		
9	<b>Current portion of long-term liabilities</b>	208,544	207,422
	Trade payables	61,969	95,855
	Payables to group entities	629,361	420,054
	Income taxes payable	76,701	76,701
	Other payables	14,740	23,301
		<u>991,315</u>	<u>823,333</u>
	<b>Total liabilities other than provisions</b>	<u>7,237,713</u>	<u>7,242,714</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>5,230,313</u></u>	<u><u>5,495,718</u></u>

- 1 Accounting policies
- 2 The Company's principal activities
- 3 Material uncertainties regarding going concern
- 10 Collateral
- 11 Contractual obligations and contingencies, etc.
- 12 Contingent assets
- 13 Related parties



## Financial statements for the period 1 January - 31 December

### Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 July 2013	500,000	-2,595,569	-2,095,569
Profit/loss for the year	0	348,573	348,573
<b>Equity at 1 January 2015</b>	<b>500,000</b>	<b>-2,246,996</b>	<b>-1,746,996</b>
Profit/loss for the year	0	-260,404	-260,404
<b>Equity at 31 December 2015</b>	<b>500,000</b>	<b>-2,507,400</b>	<b>-2,007,400</b>

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Nordsjællands Ejendomsinvest I ApS has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the company are consistent with those of last year.

### Income statement

#### Revenue

Rent comprises rental income from the leases of properties. Rent is recognised on an accruals basis.

Rent is measured net of all types of discounts/rebates granted. Also, rent is measured net of VAT and other indirect taxes charged on behalf of third parties.

#### Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

#### Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Buildings	50 years
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Land is not depreciated.

#### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses etc.

#### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Impairment of fixed assets

Property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

##### Provisions

Other provisions comprise expected maintenance liabilities in accordance with section 22 of the Danish Rent Act and section 18b of the Consolidated act on Temporary Regulation of Housing Condition. Provisions are recognised when, as a result of past events, the Company has legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation concerned is expected to be settled far into the future.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed 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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

#### 2 The Company's principal activities

The purpose of the Company is to hold shares in companies, acquire, hold, sell, rent or rent out real estate or to engage in any other related business.

#### 3 Material uncertainties regarding going concern

Equity and reserves are negative at DKK 2,007 thousand. The company is partly financed by loans from the parent company Kiwi FRB ApS.

The parent company has declared that it will support Nordsjællands Ejendomsinvest I ApS financially in 2016 to enable the company to meet all its obligations as they fall due.

Based on the support from the parent company the annual report for 2015 has been prepared under the going concern assumption

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

	2015 12 months	2013/14 18 months
DKK		
<b>4 Financial income</b>		
Other interest income	0	8
Remission of debt and similar	0	1,104,565
	<u>0</u>	<u>1,104,573</u>
<b>5 Financial expenses</b>		
Interest expenses, group entities	18,900	5,359
Other interest expenses	128,247	511,692
	<u>147,147</u>	<u>517,051</u>
<b>6 Tax for the year</b>		
Tax adjustments, prior years	-4,543	76,701
	<u>-4,543</u>	<u>76,701</u>
<b>7 Property, plant and equipment</b>		
DKK		<u>Land and buildings</u>
Cost at 1 January 2015		7,439,681
Cost at 31 December 2015		7,439,681
Impairment losses and depreciation at 1 January 2015		2,187,243
Amortisation/depreciation in the year		141,022
Impairment losses and depreciation at 31 December 2015		2,328,265
<b>Carrying amount at 31 December 2015</b>		<u>5,111,416</u>
<b>8 Share capital</b>		
The Company's share capital has remained DKK 500,000 over the past 5 years.		
<b>9 Long-term liabilities</b>		
Of the long-term liabilities, DKK 5,298 thousand falls due for payment after more than 5 years after the balance sheet date.		
Other payables comprises of deposit and prepaid rent.		
<b>10 Collateral</b>		
As security for the company's mortgage debt, the company has placed assets with carrying amount of DKK 5,111 thousand.		

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 11 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

Guarantee has been provided in respect of mortgage loans in the sister companies in the KIWI FRB ApS Group. The loans total DKK 215 thousand.

The company is jointly taxed with other Danish group entities, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the period on and after 23 May 2014 as well as withholding taxes on interest, royalties and dividends falling due for payment on and after 23 May 2014.

#### 12 Contingent assets

The company has a deferred tax asset of DKK 638 thousand that has not been capitalized.

#### 13 Related parties

Nordsjællands Ejendomsinvest I ApS' related parties comprise the following:

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Kiwi FRB ApS	Amaliegade 15, 2. sal, 1256 København K