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# **Implement Consulting Group P/S**

Strandvejen 54, DK-2900 Hellerup

## **Annual Report for 1 July 2015 - 30 June 2016**

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CVR No 32 76 77 88

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
6/10 2016



Chairman



**pwc**

# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report on the Financial Statements and the Consolidated Financial Statements	2
<b>Management's Review</b>	
Company Information	4
Financial Highlights	5
Management's Review	6
<b>Consolidated and Parent Company Financial Statements</b>	
Income Statement 1 July - 30 June	9
Balance Sheet 30 June	11
Statement of Changes in Equity	13
Cash Flow Statement 1 July - 30 June	14
Notes to the Financial Statements	15
Accounting Policies	24

## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Implement Consulting Group P/S for the financial year 1 July 2015 - 30 June 2016.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 30 June 2016 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2015/16.

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

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

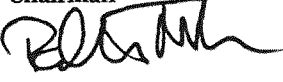
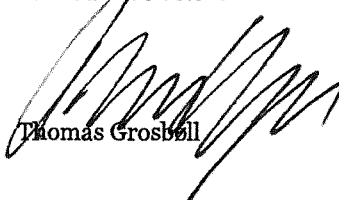
Hellerup, 6 October 2016

### Executive Board



Niels Olaf Ahrengot

### Board of Directors

  
Stig Skov Albertsen  
Chairman  
Palle Thesbjerg Mehlsen  
Lars Saur Feldstedt  
Tor Nonnegaard-Pedersen  
Thomas Grosbøll

# **Independent Auditor's Report on the Financial Statements and the Consolidated Financial Statements**

To the Shareholders of Implement Consulting Group P/S

## **Report on the Financial Statements and the Consolidated Financial Statements**

We have audited the Financial Statements and the Consolidated Financial Statements of Implement Consulting Group P/S for the financial year 1 July 2015 - 30 June 2016, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, notes and summary of significant accounting policies. The Financial Statements and the Consolidated Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's Responsibility for the Financial Statements and the Consolidated Financial Statements**

Management is responsible for the preparation of Financial Statements and the Consolidated 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 and Consolidated 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 and the Consolidated 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 whether the Financial Statements and the Consolidated Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements and the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements and the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements and Consolidated 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 and the Consolidated Financial Statements.

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

Our audit has not resulted in any qualification.

# Independent Auditor's Report on the Financial Statements and the Consolidated Financial Statements

## Opinion

In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position of the Company and the Group at 30 June 2016 and of the results of the Company and the Group operations and of consolidated cash flows for the financial year 1 July 2015 - 30 June 2016 in accordance with the Danish Financial Statements Act.

## Statement on Management's Review


We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements and the Consolidated Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements and the Consolidated Financial Statements.

Hellerup, 6 October 2016


**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Jacob F. Christiansen  
State Authorised Public Accountant



Henrik Ødegaard  
State Authorised Public Accountant

## Company Information

### The Company

Implement Consulting Group P/S  
Strandvejen 54  
DK-2900 Hellerup

CVR No: 32 76 77 88

Financial period: 1 July - 30 June

Incorporated: 31 January 2010

Financial year: 7th financial year

Municipality of reg. office: Gentofte

### Board of Directors

Stig Skov Albertsen, Chairman  
Lars Saur Feldstedt  
Tor Nonnegaard-Pedersen  
Palle Thesbjerg Mehlsen  
Thomas Grosbøll

### Executive Board

Niels Olaf Ahrengot

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

### Consolidated Financial Statements

The Companies included in the Group Annual Report are:

Implement Datterholding A/S, Denmark, 100 %  
Implement Fællesholding ApS, Denmark, 100 %  
ICG Komplementar ApS, Denmark, 100 %  
ICG Communication P/S, Denmark, 70 %  
Unmade P/S, Denmark, 70 %  
Implement Consulting Group Sweden AB, Sweden, 100 %  
Implement Consulting Group Malmö AB, Sweden, 100 %  
Implement Consulting Group AB, Sweden, 100 %  
Implement Consulting Group Oy, Finland, 100 %  
ICG Switzerland AG, Switzerland, 100 %  
Implement Consulting Group Norway AS, Norway, 100 %  
Implement Consulting Group AS, Norway, 100 %  
Implement Consulting Group LEAD, Norway 51 %  
Implement Consulting Group Insight AS, Norway, 100 %  
Implement Consulting Group Bergen AS, Norway, 100 %  
Implement Consulting Group Oslo AS, Norway, 100 %  
Implement Consulting Group Public AS, Norway, 100 %

## Financial Highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

	<b>Group</b>				
	2015/16	2014/15	2013/14	2012/13	2011/12
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	754,619	680,600	592,720	498,006	401,741
Operating profit/loss	135,864	112,597	92,467	98,946	71,052
Net financials	466	2,739	-1,147	-2,425	1,100
Net profit/loss for the year	130,642	112,491	87,587	78,476	64,993
<b>Balance sheet</b>					
Balance sheet total	472,220	415,409	385,468	383,857	326,608
Equity	283,723	245,826	220,920	245,914	219,807
<b>Cash flows</b>					
Cash flows from:					
- operating activities	166,722	145,466	114,249	70,097	67,557
- investing activities	-21,381	-18,193	2,458	-34,695	-10,581
- financing activities	-94,642	-91,101	-115,950	-49,314	-35,380
Change in cash and cash equivalents for the year	50,699	36,172	757	-13,912	21,596
Number of employees	445	402	379	278	236
<b>Ratios</b>					
Gross margin	78,2%	75,8%	76,9%	75,7%	77,0%
Profit margin	18,0%	16,5%	15,6%	17,5%	17,7%
Return on assets	28,8%	27,1%	24,0%	25,8%	21,8%
Solvency ratio	60,1%	59,2%	57,3%	64,1%	67,3%
Return on equity	49,3%	48,2%	37,5%	33,7%	30,9%

For definitions, see under accounting policies.

## Management's Review

Consolidated and Parent Company Financial Statements of Implement Consulting Group P/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Consolidated and Parent Company Financial Statements have been prepared under the same accounting policies as last year.

### Main activity

The purpose of the Company and the Group is management consulting activities in Europe. The purpose of the Company is either met directly or through shareholdings of other companies.

### Development in the year

2015/16 has been a satisfactory year in Implement Consulting Group. Organic growth increased by 11% during the financial year, and earnings were realised at 18% which led to an increase in EBIT of 21% compared to the year before.

Implement Consulting Group continues to grow, and Management expects net sales and earnings to increase in the coming fiscal year.

During the financial year, the Group has established offices in Finland and Switzerland and expects to grow these markets during the coming year.

Management is satisfied with the results achieved, which are in line with the expectations for the year.

### *Yearly result*

Net sales have increased by 11% from MDKK 681 to MDKK 755. Profit for the year went up from MDKK 113 to MDKK 131. EBIT for the year is MDKK 136 equal to 18% of net sales, which is an increase of MDKK 23 compared to 2014/15.

### *Balance Sheet*

The balance sheet at 30 June 2016 shows total assets of MDKK 472, which is an increase of 14% compared to the year before, mainly attributable to higher cash balances. Equity at year end amounted to 60% of the total assets.

### *Cash flow*

Total cash flows from operating activities amounted to MDKK 167, which is an improvement of MDKK 22. The total cash balance increased by MDKK 51 compared to the previous year.



## **Management's Review**

### **Description of the company's knowledge resources**

The most valuable asset in Implement Consulting Group is the employees. Management is continuously focused on initiatives that attract and sustain the most competent consultants within our fields of expertise.

### **Description of the specific risks**

Management does not consider Implement Consulting Group to be predisposed to any unusual risk.

### **Description of the impact on external environment**

The activities of Implement Consulting Group do not in any material way have a negative effect on the environment. Where the activities do have an effect, Management continues to explore ways to reduce that effect.

### **Corporate social responsibility**

In 2008, Implement Consulting Group established an CSR strategy, focusing on supporting organisations and projects in our fields of expertise with the aim of changing the world a little bit. A new CSR strategy was adopted in 2016.

Implement Consulting Group has not adopted formal policies as such on social responsibility, including human rights and climate impact. Implement Consulting Group has no significant consumption of resources beyond ordinary operation of the consultancy business and does not heavily affect the external environment, so the company is not considered to have any environmental challenges. Implement has no activities in areas where there are challenges with human rights or corruption. As for social issues, Implement Consulting Group has a low employee churn, low absenteeism and an inclusive HR policy.

We do, however, collaborate with a range of non-governmental organisations and volunteer organisations and, each year, we select a handful of organisations where our consultants support specific projects. Rather than giving cash donations, we give our skills.

Since the outset of Implement Consulting Group's CSR programme, Implement Consulting Group has actively contributed to the work of specific organisations, putting knowledge, abilities and consulting skills at their avail for projects and initiatives in the field of social integration and development. The CSR programme builds on three types of activities:

1. Support to larger selected projects receiving management consulting on a pro rata or highly subsidised basis, focusing, in particular, on building a culture of social innovation and accountability.
2. Support to a broad range of different smaller grass-roots initiatives where individual consultants donate a limited number of consulting days to CSR-type projects at their own discretion.

## **Management's Review**

### **3. Activities aimed at reducing our footprints and resource use.**

Projects are selected based on a set of criteria, including the expected impact, Implement Consulting Group's ability to make a difference through our consultant skills rather than simply funding activities and whether the project relates to the larger social development agenda.

Over the years, Implement Consulting Group has supported a range of different projects, more recent ones, including support to the project management programme at Nørrebro Project Academy (Projektakademiet), helping the development of a strategy for the DANIDA-supported "World's Best News" project, supporting UN/FAO policy processes to develop food security programmes in Bangladesh, supporting DanChurchAid (Folkekirkens Nødhjælp) in developing Lean reporting, mentoring immigrants through the Association New Dane (Foreningen Nydansker) and organising social innovation competitions with CBS.

### **Diversity**

It's the ambition of Group Management to continuously increase the number of women in leadership positions and in general in Implement Consulting Group. However, Group Management will always prioritise employing the best candidate regardless of gender, age etc. In accordance with Danish law no. 1383 of 23 December 2012 regulating rules on targets and policies for gender composition of the supreme governing body and for corresponding accordingly, Implement Consulting Group has set targets for the share of female board members. The overall objective of Implement Consulting Group is that, where possible, by a Board Election in 2018, one female member is elected out of the total number of members elected.

### **Events after the balance sheet date**

There are no significant events after the expiration of the financial year.

## Income Statement 1 July - 30 June

	Note	Group		Parent	
		2015/16 DKK	2014/15 DKK	2015/16 DKK	2014/15 DKK
<b>Revenue</b>	1	<b>754,619,432</b>	<b>680,600,376</b>	<b>617,704,837</b>	<b>566,531,541</b>
Other external expenses		-164,581,029	-165,032,861	-127,857,944	-134,409,645
<b>Gross profit/loss</b>		<b>590,038,403</b>	<b>515,567,515</b>	<b>489,846,893</b>	<b>432,121,896</b>
Staff expenses	2	-438,745,957	-390,849,131	-350,919,140	-314,659,264
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-15,428,535	-12,120,999	-15,051,842	-11,768,428
<b>Profit/loss before financial income and expenses</b>		<b>135,863,911</b>	<b>112,597,385</b>	<b>123,875,911</b>	<b>105,694,204</b>
Income from investments in subsidiaries		0	0	7,891,827	7,496,366
Financial income		4,840,051	3,871,756	1,052,161	131,829
Financial expenses		-4,374,009	-1,132,955	-2,177,896	-831,031
<b>Profit/loss before tax</b>		<b>136,329,953</b>	<b>115,336,186</b>	<b>130,642,003</b>	<b>112,491,368</b>
Tax on profit/loss for the year	4	-4,555,444	-1,696,250	0	0
<b>Profit/loss before minority interests</b>		<b>131,774,509</b>	<b>113,639,936</b>	<b>130,642,003</b>	<b>112,491,368</b>
Minority interests' share of net profit/loss of subsidiaries		-1,132,506	-1,148,568	0	0
<b>Net profit/loss for the year</b>		<b>130,642,003</b>	<b>112,491,368</b>	<b>130,642,003</b>	<b>112,491,368</b>

## Distribution of profit

	Parent	
	2015/16 DKK	2014/15 DKK
<b>Proposed distribution of profit</b>		
Extraordinary dividend paid	22,498,000	17,517,000
Proposed dividend for the year	132,900,000	89,993,000
Reserve for net revaluation under the equity method	26,034,075	0
Transfer to/from treasury shares	12,114,922	0
Retained earnings	-62,904,994	4,981,368
	<b>130,642,003</b>	<b>112,491,368</b>

## Balance Sheet 30 June

### Assets

	Note	Group		Parent	
		2016 DKK	2015 DKK	2016 DKK	2015 DKK
Goodwill		132,088,750	146,823,087	105,736,387	122,597,173
<b>Intangible assets</b>	<b>5</b>	<b>132,088,750</b>	<b>146,823,087</b>	<b>105,736,387</b>	<b>122,597,173</b>
Other fixtures and fittings, tools and equipment		6,295,284	4,537,028	5,581,083	3,825,375
<b>Property, plant and equipment</b>	<b>6</b>	<b>6,295,284</b>	<b>4,537,028</b>	<b>5,581,083</b>	<b>3,825,375</b>
Investments in subsidiaries	7	0	0	29,343,064	13,684,263
Other investments	8	16,711,732	6,240,675	0	0
Deposits	8	4,581,370	5,900,445	4,235,762	5,578,944
<b>Fixed asset investments</b>		<b>21,293,102</b>	<b>12,141,120</b>	<b>33,578,826</b>	<b>19,263,207</b>
<b>Fixed assets</b>		<b>159,677,136</b>	<b>163,501,235</b>	<b>144,896,296</b>	<b>145,685,755</b>
Trade receivables		151,950,032	142,387,637	132,914,631	112,167,561
Receivables from group enterprises		0	0	39,628,356	32,803,270
Other receivables		255,417	2,210,445	87,436	2,139,770
Deferred tax asset		1,099,190	1,164,361	0	0
Prepayments		5,248,040	2,759,973	3,990,005	1,720,377
<b>Receivables</b>		<b>158,552,679</b>	<b>148,522,416</b>	<b>176,620,428</b>	<b>148,830,978</b>
<b>Cash at bank and in hand</b>		<b>153,990,043</b>	<b>103,385,410</b>	<b>98,366,924</b>	<b>83,802,295</b>
<b>Currents assets</b>		<b>312,542,722</b>	<b>251,907,826</b>	<b>274,987,352</b>	<b>232,633,273</b>
<b>Assets</b>		<b>472,219,858</b>	<b>415,409,061</b>	<b>419,883,648</b>	<b>378,319,028</b>

## Balance Sheet 30 June

### Liabilities and equity

	Note	Group		Parent	
		2016 DKK	2015 DKK	2016 DKK	2015 DKK
Share capital		1,612,965	1,531,500	1,612,965	1,531,500
Share premium account		105,736,387	122,597,173	105,736,387	122,597,173
Reserve for net revaluation under the equity method		0	0	26,034,075	0
Retained earnings		43,473,461	31,703,870	17,439,386	31,703,870
Proposed dividend for the year		132,900,000	89,993,000	132,900,000	89,993,000
<b>Equity</b>	9	<b>283,722,813</b>	<b>245,825,543</b>	<b>283,722,813</b>	<b>245,825,543</b>
<b>Minority interests</b>	10	<b>2,046,614</b>	<b>2,321,453</b>	<b>0</b>	<b>0</b>
Other provisions		3,715,000	0	3,715,000	0
<b>Provisions</b>		<b>3,715,000</b>	<b>0</b>	<b>3,715,000</b>	<b>0</b>
Other payables		24,153,153	9,139,015	0	0
<b>Long-term debt</b>	11	<b>24,153,153</b>	<b>9,139,015</b>	<b>0</b>	<b>0</b>
Prepayments received from customers		14,596,342	16,210,587	13,691,574	14,990,865
Trade payables		12,238,085	8,251,559	9,937,062	8,267,994
Payables to group enterprises		0	0	4,131,789	1,130,489
Corporation tax		1,915,206	1,708,681	0	0
Other payables		129,832,645	131,952,223	104,685,410	108,104,137
<b>Short-term debt</b>		<b>158,582,278</b>	<b>158,123,050</b>	<b>132,445,835</b>	<b>132,493,485</b>
<b>Debt</b>		<b>182,735,431</b>	<b>167,262,065</b>	<b>132,445,835</b>	<b>132,493,485</b>
<b>Liabilities and equity</b>		<b>472,219,858</b>	<b>415,409,061</b>	<b>419,883,648</b>	<b>378,319,028</b>
Contingent assets, liabilities and other financial obligations	12				
Fee to auditors appointed at the general meeting	13				

## Statement of Changes in Equity

### Group

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 July	1,531,500	122,597,173	0	31,703,870	89,993,000	245,825,543
Net effect from adjustment to previous years	0	0	0	489,750	0	489,750
Adjusted equity at 1 July	1,531,500	122,597,173	0	32,193,620	89,993,000	246,315,293
Cash capital increase	81,465	19,175,052	0	0	0	19,256,517
Ordinary dividend paid	0	0	0	0	-89,993,000	-89,993,000
Ordinary dividend on treasury shares	0	0	0	4,870,082	0	4,870,082
Extraordinary dividend paid	0	0	0	-22,498,000	0	-22,498,000
Sale of treasury shares	0	0	0	7,244,840	0	7,244,840
Net profit/loss for the year	0	0	0	-14,372,919	132,900,000	118,527,081
Transfer from share premium account	0	-36,035,838	0	36,035,838	0	0
<b>Equity at 30 June</b>	<b>1,612,965</b>	<b>105,736,387</b>	<b>0</b>	<b>43,473,461</b>	<b>132,900,000</b>	<b>283,722,813</b>

### Parent

Equity at 1 July	1,531,500	122,597,173	0	31,703,870	89,993,000	245,825,543
Net effect from adjustment to previous years	0	0	0	489,750	0	489,750
Adjusted equity at 1 July	1,531,500	122,597,173	0	32,193,620	89,993,000	246,315,293
Cash capital increase	81,465	19,175,052	0	0	0	19,256,517
Ordinary dividend paid	0	0	0	0	-89,993,000	-89,993,000
Ordinary dividend on treasury shares	0	0	0	4,870,082	0	4,870,082
Extraordinary dividend paid	0	0	0	-22,498,000	0	-22,498,000
Sale of treasury shares	0	0	0	7,244,840	0	7,244,840
Net profit/loss for the year	0	0	26,034,075	-40,406,994	132,900,000	118,527,081
Transfer from share premium account	0	-36,035,838	0	36,035,838	0	0
<b>Equity at 30 June</b>	<b>1,612,965</b>	<b>105,736,387</b>	<b>26,034,075</b>	<b>17,439,386</b>	<b>132,900,000</b>	<b>283,722,813</b>

The share capital consists of 1,612,965 shares of a nominal value of DKK 1.

Refer to note 8 for an overview of capital movements during the last 5 years.

The Limited partners' shares consist 10 % of the equity.

## Cash Flow Statement 1 July - 30 June

	Note	Group	
		2015/16 DKK	2014/15 DKK
Net profit/loss for the year		130,642,003	112,491,368
Adjustments	14	20,650,442	12,227,015
Change in working capital	15	19,152,713	21,441,964
<b>Cash flows from operating activities before financial income and expenses</b>		<b>170,445,158</b>	<b>146,160,347</b>
Financial income		4,840,051	3,871,756
Financial expenses		-4,279,604	-1,132,958
<b>Cash flows from ordinary activities</b>		<b>171,005,605</b>	<b>148,899,145</b>
Corporation tax paid		-4,283,746	-3,433,135
<b>Cash flows from operating activities</b>		<b>166,721,859</b>	<b>145,466,010</b>
Purchase of intangible assets		-5,419,440	-10,266,085
Purchase of property, plant and equipment		-6,809,575	-2,805,485
Fixed asset investments made etc		-9,151,979	-5,121,683
<b>Cash flows from investing activities</b>		<b>-21,380,994</b>	<b>-18,193,253</b>
Minority interests		-1,407,345	-3,514,921
Cash capital increase		19,256,517	0
Dividend paid		-112,491,000	-87,586,000
<b>Cash flows from financing activities</b>		<b>-94,641,828</b>	<b>-91,100,921</b>
<b>Change in cash and cash equivalents</b>		<b>50,699,037</b>	<b>36,171,836</b>
Cash and cash equivalents at 1 July		103,385,410	67,213,574
Exchange adjustment of current asset investments		-94,404	0
<b>Cash and cash equivalents at 30 June</b>		<b>153,990,043</b>	<b>103,385,410</b>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		153,990,043	103,385,410
<b>Cash and cash equivalents at 30 June</b>		<b>153,990,043</b>	<b>103,385,410</b>



## Notes to the Financial Statements

1 Revenue	Group	
	2015/16	2014/15
	DKK	DKK
<b>Geographical segments</b>		
Denmark	623,974,235	564,343,469
Norway	49,882,624	42,950,514
Sweden	78,921,735	73,306,393
Other	1,840,838	0
	<b>754,619,432</b>	<b>680,600,376</b>

2 Staff expenses	Group		Parent	
	2015/16	2014/15	2015/16	2014/15
	DKK	DKK	DKK	DKK
Wages and salaries	418,033,320	371,059,247	347,649,597	312,168,077
Pensions	4,984,384	4,526,292	952,142	824,870
Other social security expenses	15,728,253	15,263,592	2,317,401	1,666,317
	<b>438,745,957</b>	<b>390,849,131</b>	<b>350,919,140</b>	<b>314,659,264</b>
<b>Average number of employees</b>	<b>445</b>	<b>402</b>	<b>345</b>	<b>319</b>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act. No Board fee has been paid to the Board of Directors.

### 3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation of intangible assets	10,377,215	10,360,786	10,360,786	10,360,786
Depreciation of property, plant and equipment	3,473,757	1,760,213	3,113,493	1,407,642
Gain and loss on disposal	1,577,563	0	1,577,563	0
	<b>15,428,535</b>	<b>12,120,999</b>	<b>15,051,842</b>	<b>11,768,428</b>

## Notes to the Financial Statements

4 Tax on profit/loss for the year	Group		Parent	
	2015/16	2014/15	2015/16	2014/15
	DKK	DKK	DKK	DKK
Current tax for the year	4,557,082	2,810,161	0	0
Deferred tax for the year	-1,650	-1,113,496	0	0
Adjustment of tax concerning previous years	12	-415	0	0
	<b>4,555,444</b>	<b>1,696,250</b>	<b>0</b>	<b>0</b>

## 5 Intangible assets

### Group

	Goodwill DKK
Cost at 1 July	193,924,134
Additions for the year	5,419,440
Corrections to previous years	-7,000,000
Cost at 30 June	<b>192,343,574</b>
Impairment losses and amortisation at 1 July	47,101,047
Corrections to previous years	2,776,562
Amortisation for the year	10,377,215
Impairment losses and amortisation at 30 June	<b>60,254,824</b>
<b>Carrying amount at 30 June</b>	<b>132,088,750</b>

### Parent

	Goodwill DKK
Cost at 1 July	173,107,858
Corrections to previous years	-13,000,000
Cost at 30 June	<b>160,107,858</b>
Impairment losses and amortisation at 1 July	50,510,685
Amortisation for the year	10,360,786
Reversal of amortisation of disposals to previous years	-6,500,000
Impairment losses and amortisation at 30 June	<b>54,371,471</b>
<b>Carrying amount at 30 June</b>	<b>105,736,387</b>

## Notes to the Financial Statements

### 6 Property, plant and equipment

#### Group

	Other fixtures and fittings, tools and equipment
	<u>DKK</u>
Cost at 1 July	16,843,344
Additions for the year	6,450,594
Disposals for the year	<u>-8,873,392</u>
Cost at 30 June	<u>14,420,546</u>
Impairment losses and depreciation at 1 July	12,306,316
Depreciation for the year	3,114,768
Reversal of impairment and depreciation of sold assets	<u>-7,295,822</u>
Impairment losses and depreciation at 30 June	<u>8,125,262</u>
<b>Carrying amount at 30 June</b>	<b><u>6,295,284</u></b>
Depreciated over	<u>3-5 years</u>

## Notes to the Financial Statements

### 6 Property, plant and equipment (continued)

#### Parent

	Other fixtures and fittings, tools and equipment
	<u>DKK</u>
Cost at 1 July	13,959,319
Additions for the year	6,446,771
Disposals for the year	<u>-8,873,392</u>
Cost at 30 June	<u>11,532,698</u>
Impairment losses and depreciation at 1 July	10,133,944
Depreciation for the year	3,113,493
Reversal of impairment and depreciation of sold assets	<u>-7,295,822</u>
Impairment losses and depreciation at 30 June	<u>5,951,615</u>
<b>Carrying amount at 30 June</b>	<b><u>5,581,083</u></b>

## Notes to the Financial Statements

	Parent	
	2016 DKK	2015 DKK
<b>7 Investments in subsidiaries</b>		
Cost at 1 July	2,531,764	2,531,764
Additions for the year	700,000	0
Disposals for the year	77,225	0
Cost at 30 June	<u>3,308,989</u>	<u>2,531,764</u>
Value adjustments at 1 July	11,152,499	3,656,133
Corrections to previous years	6,989,750	0
Net profit/loss for the year	<u>7,891,826</u>	<u>7,496,366</u>
Value adjustments at 30 June	<u>26,034,075</u>	<u>11,152,499</u>
<b>Carrying amount at 30 June</b>	<b><u>29,343,064</u></b>	<b><u>13,684,263</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Implement Datterholding A/S	Strandvejen 54, Hellerup Ostra Järnväggsgatan 27,	DKK 500,000	100%
Implement Consulting Group Sweden AB	111 20 Stockholm, Sweden	SEK 1,000,000	85%
Unmade P/S	Strandvejen 54, Hellerup	DKK 1,000,000	70%

## Notes to the Financial Statements

### 8 Other fixed asset investments

	<b>Group</b>	
	Other	Deposits
	investments	DKK
	DKK	DKK
Cost at 1 July	6,240,674	4,581,370
Additions for the year	14,486,096	0
Disposals for the year	-4,015,038	0
Cost at 30 June	<u>16,711,732</u>	<u>4,581,370</u>
<b>Carrying amount at 30 June</b>	<b><u>16,711,732</u></b>	<b><u>4,581,370</u></b>

### 9 Equity

On 30 June 2016, Implement Fællesholding ApS holds 62,237 treasury shares, corresponding to 3,86%. The total payment for the shares amounted to kDKK 1,111, which has been transferred from retained earnings under equity. The Company may choose to sell these shares at a later time. The shares have been acquired as part of the Company's structure.

The share capital has developed as follows:

	2015/16	2014/15	2013/14	2012/13	2011/12
	DKK	DKK	DKK	DKK	DKK
Share capital at 1 July	1,531,500	1,531,500	1,358,000	1,290,000	1,290,000
Capital increase	81,465	0	173,500	68,000	0
Capital decrease	0	0	0	0	0
<b>Share capital at 30 June</b>	<b><u>1,612,965</u></b>	<b><u>1,531,500</u></b>	<b><u>1,531,500</u></b>	<b><u>1,358,000</u></b>	<b><u>1,290,000</u></b>

### 10 Minority interests

Minority interests at 1 July	2,321,453	4,687,806
Additions for the year	300,000	300,000
Disposals for the year	-1,707,345	-3,814,921
Share of net profit/loss for the year	1,132,506	1,148,568
<b>Minority interests at 30 June</b>	<b><u>2,046,614</u></b>	<b><u>2,321,453</u></b>

## Notes to the Financial Statements

### 11 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent	
	2016 DKK	2015 DKK	2016 DKK	2015 DKK
<b>Other payables</b>				
Between 1 and 5 years	24,153,153	9,139,015	0	0
Long-term part	24,153,153	9,139,015	0	0
Other short-term payables	129,832,645	131,952,223	104,685,410	108,104,137
	<b>153,985,798</b>	<b>141,091,238</b>	<b>104,685,410</b>	<b>108,104,137</b>

### 12 Contingent assets, liabilities and other financial obligations

#### Rental agreements and leases

Lease obligations under operating leases. Total future lease payments:

Within 1 year	10,873,535	10,395,284	4,467,315	4,335,000
Between 1 and 5 years	49,345,816	21,367,575	28,678,977	17,340,000
After 5 years	2,072,100	7,225,000	1,720,833	7,225,000
	<b>62,291,451</b>	<b>38,987,859</b>	<b>34,867,125</b>	<b>28,900,000</b>

## Notes to the Financial Statements

### 12 Contingent assets, liabilities and other financial obligations (continued)

#### Contractual obligations

Implement Consulting Group P/S has entered into a rental contract which requires the company to incur re-establishment costs.

#### Contingent liabilities

At the balance sheet date, there is a pending law suit against Implement Consulting Group P/S regarding a trademark infringement in Switzerland amount to approx. DKK 1,715,000.

As of 30 June 2016, DNB has registered title in factoring agreements amount to DKK 1,999,750 concerning Implement Consulting Group Norway AS.

As of 30 June 2016, equipment amounting to DKK 1,999,750 has been pledged.

Implement Consulting Group AB has provided collateral of DKK 3,157,600 regarding a line of credit amounting to an equal amount.

Implement Consulting Group AB has provided a guarantee of DKK 1,026,220 for NCC Property F AB.



## Notes to the Financial Statements

	<b>Group</b>	
	<u>2015/16</u>	<u>2014/15</u>
	DKK	DKK
<b>13 Fee to auditors appointed at the general meeting</b>		
Audit fee	450,000	400,000
Tax advisory services	310,300	0
Other services	95,000	840,000
	<u><b>855,300</b></u>	<u><b>1,240,000</b></u>
<b>14 Cash flow statement - adjustments</b>		
Financial income	-4,840,051	-3,871,756
Financial expenses	4,374,009	1,132,955
Depreciation, amortisation and impairment losses, including losses and gains on sales	15,428,534	12,120,998
Tax on profit/loss for the year	4,555,444	1,696,250
Minority interests' share of net profit/loss of subsidiaries	1,132,506	1,148,568
	<u><b>20,650,442</b></u>	<u><b>12,227,015</b></u>
<b>15 Cash flow statement - change in working capital</b>		
Change in receivables	-318,872	13,416,834
Change in other provisions	3,715,000	0
Change in trade payables, etc	15,756,585	8,025,130
	<u><b>19,152,713</b></u>	<u><b>21,441,964</b></u>

## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Implement Consulting Group P/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Consolidated and Parent Company Financial Statements for 2015/16 are presented in DKK.

There has been minor correction to the equity related to the previous years.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 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.

### **Basis of consolidation**

The Consolidated Financial Statements comprise the Parent Company, Implement Consulting Group P/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

## **Accounting Policies**

### **Business combinations**

#### **Minority interests**

On statement of group results and group equity, the shares of results and equity of subsidiaries attributable to minority interests are recognised as separate items in the income statement and the balance sheet. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

#### **Leases**

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

#### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## **Accounting Policies**

### **Revenue**

Information on geographical segments based on the Group's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

## **Income Statement**

### **Revenue**

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### **Other external expenses**

Other external expenses comprise expenses related to distribution, premises, sales, marketing and bad debts etc.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

### **Income from investments in subsidiaries**

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## **Accounting Policies**

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

The Company is not subject to taxation as it is transparent for tax purposes.

## **Balance Sheet**

### **Intangible assets**

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at maximum 20 years.

### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
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Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 12,900 are expensed in the year of acquisition.

### **Impairment of fixed assets**

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### **Investments in subsidiaries**

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

## **Accounting Policies**

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Equity**

#### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### ***Treasury shares***

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

### **Provisions**

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.

## **Accounting Policies**

### **Cash Flow Statement**

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

#### **Cash flows from operating activities**

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

#### **Cash flows from investing activities**

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

#### **Cash flows from financing activities**

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise

The cash flow statement cannot be immediately derived from the published financial records.

## Accounting Policies

## Financial Highlights

### Explanation of financial ratios

Gross margin

$$\frac{\text{Gross profit x 100}}{\text{Revenue}} \quad \frac{\text{Net profit for the year}}{\text{Average share capital}}$$

Profit margin

$$\frac{\text{Profit before financials x 100}}{\text{Revenue}} \quad \frac{\text{Cash flows from operating activities}}{\text{Average share capital}}$$

Return on assets

Solvency ratio

$$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$$

Return on equity

$$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$