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Ulrik Dahl (Reg. revisor)
Kasper Kjærsgaard (Reg. revisor)
Ronni Jeppesen (Revisor, CMA, HD(r))



(CVR-nr. 37999687)

Erhvervsstyrelsen

Final Cut For Real ApS

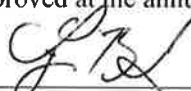
Forbindelsesvej 7, 2100 København Ø

CVR no. 32 77 80 70

Annual Report for 2019

(10th financial year)

Approved at the annual general meeting of shareholders on 11/5 2020.



Chairman of the meeting
Signe Byrge Sørensen

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Company information etc.

The Company

Final Cut For Real ApS

Forbindelsesvej 7

2100 København Ø

CVR-no.: 32 77 80 70

Municipality of domicile: København

Executive Board

Janus Billeskov Jansen

Signe Byrge Sørensen

Board of Directors

Janus Billeskov Jansen

Signe Byrge Sørensen

Anne Helene Köhncke

Joshua Lincoln Oppenheimer

Auditors

JS Revision, Godkendt Revisionsaktieselskab

Egegårdsvej 39B

2610 Rødovre

CVR-no. 37 99 96 87

Management Review

The company's main activities

Final Cut For Real ApS's main activities comprise production and trade in film and video.

Significant changes in the activities and financial affairs

Final Cut for Real still consists of the four producers: Signe Byrge Sørensen, Anne Köhncke, Monica Hellström and Heidi Elise Christensen plus post producer Maria Kristensen, financial controller Korthe Lund Barfod and part time technical assistant Lars Michael Reiff. In 2019 we also had researcher Mauricio Gonzalez-Aranda with us and during the autumn Maria went on maternity leave and we were joined instead by production manager Esther Nissen and post producer Francesc Sitges Sardá. Additionally, in 2019 we had 2 interns per term. Most importantly, we worked with a number of directors and a group of freelance film workers connected to each of their projects.

There have not been any significant changes in the company's activities and financial affairs in 2019.

Statement by Board of Executives

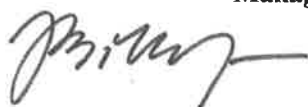
The Management Board has today considered and approved the Annual Report for Final Cut For Real ApS for the financial year 1 January - 31 December 2019. The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statement gives a true and fair view of the financial position at 31 December 2019 of the company and of the result of the company's operations for the financial year 1 January - 31 December 2019.

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

Copenhagen, 11th May 2020

Management board



Janus Billeskov Jansen



Signe Byrge Sørensen

Board of directors



Janus Billeskov Jansen
(Chairman)



Signe Byrge Sørensen



Anne Helene Köhncke



Joshua Lincoln Oppenheimer

The independent practitioner's report

To the shareholders of Final Cut For Real ApS

Conclusion

We have performed an extended review of the financial statements of Final Cut For Real ApS for the financial year 1 January – 31 December 2019, which comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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.

Practitioner's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

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 extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the 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 in the Management's review.

Rødovre, 11th May 2020

JS Revision

Godkendt Revisionsaktieselskab

Egegårdsvej 39B, 2610 Rødovre

CVR-nr. 37 99 96 87



Ulrik Dahl

Registered Public Accountant

mnc35884

Accounting Policies

Basis of accounting

The Annual Report of Final Cut For Real ApS has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises with some options for a higher accounting class.

The accounting policies have been applied consistently with previous years.

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.

Reporting currency

The financial statements are 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, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

Government grants

Government grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received. Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for government grants are expensed. Government grants are recognised under revenue.

Accounting Policies (continued)

INCOME STATEMENT

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Income from the sale of services is recognised as delivery takes place. Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables 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 writedowns.

Staff costs

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

Accounting Policies (continued)

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 life, year	Residual value DKK
Other plant, fixtures and fittings, tools and equipment	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.

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.

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.

Accounting Policies (continued)

BALANCE SHEET

Property, plant and equipment

Property, plant and equipment comprise 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.

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.

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.

Accounting Policies (continued)

Inventories

The cost of work in progress is determined as the value of direct and indirect material and labour costs. Production overheads include indirect material and labour costs as well as maintenance and depreciation of machinery, buildings and equipment used in the production process as well as the costs of factory administration and management. Interest

The net realisable value of inventories/Work in progress is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account market-ability, obsolescence and the expected development in the selling price.

Receivables

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

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

Cash

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

Equity

Acquisition costs and consideration for treasury shares as well as dividends therefrom are recognised directly in equity under retained earnings.

Accounting Policies (continued)

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.

Payables

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

Financial statements 2019

Notes	2019	2018
	DKK	DKK
Gross profit	1.681.382	1.307.416
1 Staff costs	-1.160.639	-714.740
2 Gains (losses) from fair value adjustments of other investment assets	<u>-61.313</u>	<u>-70.857</u>
Profit (loss) from ordinary operating activities	459.430	521.819
Financial income	2.384	0
Financial expenses	<u>-27.978</u>	<u>-21.709</u>
Profit (loss) from ordinary activities before tax	433.836	500.110
3 Tax expense on ordinary activities	<u>-97.804</u>	<u>-130.294</u>
Profit (loss)	<u><u>336.032</u></u>	<u><u>369.816</u></u>
 Recommended appropriation of the profit/loss for the year		
Dividend for the financial year	0	0
Retained earnings	<u>336.032</u>	<u>369.816</u>
Total distribution	<u><u>336.032</u></u>	<u><u>369.816</u></u>

Balance at 31th December 2019

Notes	31/12 2019	31/12 2018
Assets	DKK	DKK
Other fixtures and fittings, tools and equipment	<u>238.795</u>	<u>130.256</u>
4 Property, plant and equipment	<u>238.795</u>	<u>130.256</u>
Fixed assets	<u>238.795</u>	<u>130.256</u>
Trade receivables	338.026	3.436.078
Work in progress	4.382.742	1.835.899
Other receivables	<u>5.381.463</u>	<u>0</u>
Receivables	<u>10.102.231</u>	<u>5.271.977</u>
Cash	<u>2.966.134</u>	<u>5.477.717</u>
Total current assets	<u>13.068.365</u>	<u>10.749.694</u>
Total Assets	<u><u>13.307.160</u></u>	<u><u>10.879.950</u></u>

Balance at 31th December 2019

Notes	31/12 2019	31/12 2018
	DKK	DKK
	Equity and liabilities	
	125.000	125.000
	1.293.152	957.120
	<u>0</u>	<u>0</u>
5	Total equity	1.418.152
	<u>18.603</u>	<u>10.295</u>
3	Deferred tax	10.295
	Total provisions	18.603
	0	5.223
	2.009.694	4.080.046
	65.496	113.956
	4.984.617	5.143.338
	<u>4.810.598</u>	<u>444.972</u>
	Short-term liabilities	11.870.405
	<u>11.870.405</u>	<u>9.787.535</u>
	Total liabilities	11.870.405
	<u>13.307.160</u>	<u>10.879.950</u>
	Total equity and liabilities	13.307.160
6	Contingent liabilities and other financial obligations	

Notes to the Annual Report

	2019	2018
	DKK	DKK
1 Staff costs		
Wages/salaries	7.121.966	5.766.077
Other social security costs	537.772	460.885
Other staff costs	189.207	165.422
Staff costs recognised in assets	<u>-6.688.306</u>	<u>-5.677.644</u>
	<u>1.160.639</u>	<u>714.740</u>
Average number of full-time employees	<u>16</u>	<u>14</u>
2 Depreciation		
Depreciation of property, plant and equipment	<u>61.313</u>	<u>70.857</u>
	<u>61.313</u>	<u>70.857</u>
3 Tax for the year		
Estimated tax charge for the year	89.496	150.549
Deferred tax adjustments in the year	<u>8.308</u>	<u>-20.255</u>
	<u>97.804</u>	<u>130.294</u>
Deferred tax	<u>18.603</u>	<u>10.295</u>
4 Property, plant and equipment		Other fixtures and fittings, tools and equipment
		<u> </u>
Balance at 1/1 2019		976.566
Additions in the year		169.852
Disposals in the year		<u>0</u>
Cost at 31/12 2019		<u>1.146.418</u>
Balance at 1/1 2019		846.310
Depreciation in the year		61.313
Reversed depreciation in the year		<u>0</u>
Depreciation and impairment losses at 31/12 2019		<u>907.623</u>
Carrying amount at 31/12 2019		<u>238.795</u>

5 Equity	<u>Share capital</u>	<u>Retained earnings</u>	<u>Dividend proposed for the year</u>	<u>Total</u>
Equity at 1/1 2019	125.000	957.120	0	1.082.120
Dividend distributed	0	0	0	0
Proposed distribution of profit	<u>0</u>	<u>336.032</u>	<u>0</u>	<u>336.032</u>
Equity at 31/12 2019	<u>125.000</u>	<u>1.293.152</u>	<u>0</u>	<u>1.418.152</u>

6 Contingent liabilities and other financial obligations

The Company has provided general guarantees regarding the rights of films produced and being media productions. The liabilities are not expected to incur expenses for the company.

Rent liabilities include a rent obligation totalling DKK 74.135 with a notices of 3 months.

In addition, the Company has not assumed any guarantee, guarantee or other obligations other than those there appears in the annual report.

