

Final Cut For Real ApS

Forbindelsesvej 7, 2100 København Ø
CVR no. 32 77 80 70

Annual report for 2020

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 14.07.21

Signe Byrge Sørensen
Dirigent



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The company

Final Cut For Real ApS
Forbindelsesvej 7
2100 København Ø
Tel.: 35 43 60 43
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Registered office: København Ø
CVR no.: 32 77 80 70
Financial year: 01.01 - 31.12

Executive Board

Janus Billeskov Jansen
Signe Byrge Sørensen

Board of Directors

Janus Billeskov Jansen
Joshua Lincoln Oppenheimer
Signe Byrge Sørensen
Anne Helene Köhncke

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

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

We have on this day presented the annual report for the financial year 01.01.20 - 31.12.20 for Final Cut For Real ApS.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.20 and of the results of the the company's activities for the financial year 01.01.20 - 31.12.20.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, July 13, 2021

Executive Board

Janus Billeskov Jansen

Signe Byrge Sørensen

Board Of Directors

Janus Billeskov Jansen
Chairman

Joshua Lincoln Oppenheimer

Signe Byrge Sørensen

Anne Helene Köhncke

Independent auditor's report on extended review

To the capital owner 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 01.01.20 - 31.12.20 which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Based on the work performed, in our opinion, the financial statements give a true and fair view of the company's assets, equity and liabilities and financial position as at 31.12.20 and the company's financial performance for the financial year 01.01.20 - 31.12.20 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 'Auditor'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.

Statement regarding the management's review

The management is responsible for the management's review.

Our opinion on the financial statements does not include the management's review, and we do not express any form of conclusion on the management's review.

In connection with our extended review of the financial statements, it is our responsibility to read the management's review and in this connection consider whether the management's review is materially inconsistent with the financial statements or the knowledge we have obtained during our extended review, or in any other way appears to be materially misstated.

Independent auditor's report on extended review

Furthermore, it is our responsibility to consider whether management's review contains the information required under the Danish Financial Statements Act.

Based on the work performed, we believe that the management's review is in accordance with the financial statements and has been prepared in accordance with the provisions of the Danish Financial Statements Acts. We have not detected any material misstatement in the management's review.

Management's responsibility for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements 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.

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.

Independent auditor's report on extended review

Auditor'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 primarily consisting 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.

Soeborg, Copenhagen, July 13, 2021

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Kim Nielsen

State Authorized Public Accountant
MNE-no. mne29417

Primary activities

The company's activities comprise production and trade in film and video.

Development in activities and financial affairs

The income statement for the period 01.01.20 - 31.12.20 shows a profit/loss of DKK 240,367 against DKK 336,033 for the period 01.01.19 - 31.12.19. The balance sheet shows equity of DKK 1,658,520.

The management considers the net profit for the year to be satisfactory.

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 and part time technical assistant Lars Michael Reif. We were also joined by post producer Frances Sitges Sardá. From the 1st of July 2020 we got a new financial controller: Gitte Randløv and we converted our bookkeeping system, so we now use the program E-conomics. Additionally, in 2020 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 our projects.

Besides this there have not been any significant changes in the company's activities and financial affairs in 2020.

Subsequent events

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

Income statement

Note		2020 DKK	2019 DKK
	Gross profit	1,300,315	1,681,383
1	Staff costs	-910,614	-1,160,639
	Profit before depreciation, amortisation, write-downs and impairment losses	389,701	520,744
	Depreciation and impairments losses of property, plant and equipment	-70,484	-61,313
	Profit before net financials	319,217	459,431
	Financial income	15,009	2,384
	Financial expenses	-22,936	-27,978
	Profit before tax	311,290	433,837
	Tax on profit for the year	-70,923	-97,804
	Profit for the year	240,367	336,033
	Proposed appropriation account		
	Retained earnings	240,367	336,033
	Total	240,367	336,033

ASSETS		31.12.20	31.12.19
		DKK	DKK
Note			
	Other fixtures and fittings, tools and equipment	190,107	238,795
2	Total property, plant and equipment	190,107	238,795
	Total non-current assets	190,107	238,795
	Work in progress for third parties	2,900,395	4,382,742
	Trade receivables	1,080,769	338,026
	Deferred tax asset	10,816	0
	Other receivables	1,205,882	5,381,463
	Prepayments	247,491	0
	Total receivables	5,445,353	10,102,231
	Cash	3,976,121	2,966,134
	Total current assets	9,421,474	13,068,365
	Total assets	9,611,581	13,307,160

EQUITY AND LIABILITIES		31.12.20	31.12.19
		DKK	DKK
Note			
	Share capital	125,000	125,000
	Retained earnings	1,533,520	1,293,153
	Total equity	1,658,520	1,418,153
	Provisions for deferred tax	0	18,603
	Total provisions	0	18,603
	Prepayments received from work in progress for third parties	4,129,784	4,984,617
	Trade payables	2,539,219	2,009,693
	Income taxes	60,342	65,496
	Other payables	1,223,716	4,810,598
	Total short-term payables	7,953,061	11,870,404
	Total payables	7,953,061	11,870,404
	Total equity and liabilities	9,611,581	13,307,160

3 Contingent liabilities

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.01.19 - 31.12.19		
Balance as at 01.01.19	125,000	957,120
Net profit/loss for the year	0	336,033
Balance as at 31.12.19	125,000	1,293,153
Statement of changes in equity for 01.01.20 - 31.12.20		
Balance as at 01.01.20	125,000	1,293,153
Net profit/loss for the year	0	240,367
Balance as at 31.12.20	125,000	1,533,520

	2020 DKK	2019 DKK
1. Staff costs		
Wages and salaries	6,159,104	7,121,966
Other social security costs	472,466	537,772
Other staff costs	130,750	189,207
Staff costs recognised in assets	-5,851,706	-6,688,306
Total	910,614	1,160,639
Average number of employees during the year	13	16

2. Property, plant and equipment

Figures in DKK	Other fixtures and fittings, tools and equipment
Cost as at 01.01.20	1,146,418
Additions during the year	21,796
Cost as at 31.12.20	1,168,214
Depreciation and impairment losses as at 01.01.20	-907,623
Depreciation during the year	-70,484
Depreciation and impairment losses as at 31.12.20	-978,107
Carrying amount as at 31.12.20	190,107

3. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 3 months and average lease payments of DKK 21k, a total of DKK 63k.

Guarantee commitments

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.

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

4. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

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

4. Accounting policies - continued -

LEASES

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

GRANTS

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 grants are expensed. Grants are recognised under other operating income.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, raw materials and consumables and cost of sales and other external expenses.

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 and where the selling price can be determined reliably and is expected to be paid. 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 in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

4. Accounting policies - continued -

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.

Cost of sales

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

Other external expenses

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

Staff costs

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

Depreciation and impairment losses

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

	Useful 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.

4. Accounting policies - continued -

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.

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.

4. Accounting policies - continued -

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.

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.

Work in progress for third parties

Work in progress for third parties is determined as the value of direct material and labour costs less prepayments associated with each piece of work in progress. Interest on loans arranged to finance production is ikke included in the cost.

Prepayments

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

Cash

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

4. 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.