



Piaster Revisorerne

we provide more advice

# Cogniance Denmark ApS

CVR-nr. 34 59 91 22

Vester Farimagsgade 41, 5.  
1606 København V

## Annual Report 2016

(Financial year 1 January 2016 - 31 December 2016)

The Annual Report is presented and  
adopted at the Annual General Meeting of  
shareholders on the 13 March 2017

Michael Shraybman  
*Chairman of the meeting*

## Table of Contents

	<u>Page</u>
<b>Statements and reports</b>	
Management's Statement	1
Auditor's Compilation Report	2
<b>Management's Review</b>	
Corporate information	3
Management's Review	4
<b>Financial Statements</b>	
Income Statement	5
Balance Sheet	6
Notes	8
Accounting policies	10

## Management's Statement

The Executive Board have today considered and approved the Annual Report of 1 January 2016 - 31 December 2016 for Cogniance Denmark ApS.

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

The Annual Report, that is not audited, has been prepared in accordance with the Danish Financial Statements Act. Management state that the conditions for non audit Annual Reports are met.

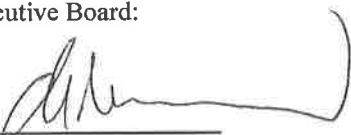
In my opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 December 2016.

In my opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

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

Copenhagen, 13 March 2017

Executive Board:



Michael Shraybman

The AGM has decided that the financial statements for the next year shall not be audited.

# Auditor's Compilation Report

## *To Shareholders of Cogniance Denmark ApS*

We have compiled the accompanying financial statements of Cogniance Denmark ApS for the financial year 1 January 2016 - 31 December 2016, based on information the management have provided.

The financial statements comprise the income statement, the balance sheet and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise to assist you in the preparation and presentation of these financial statements in accordance with Danish Financial Statements Act. We have complied with the rules in the Danish Audit Act and FSR - danske revisorerers ethic guidelines for auditors, including the principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with Danish Financial Statements Act.

Birkerød, 13 March 2017

**Piaster Revisorerne,  
Statsautoriseret Revisionsaktieselskab  
CVR-nr.: 25 16 00 37**



Niels Kristian Tordrup Nielsen  
State Authorized Public Accountant

## Corporate information

<b>The Company</b>	Cogniance Denmark ApS Vester Farimagsgade 41, 5. 1606 København V
	Identification no.: 34 59 91 22
	Founded: 13. June 2012
	Registered office: København
	Financial year: 1 January - 31 December
<b>Executive Board</b>	Michael Shraybman
<b>Auditor</b>	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Abildgårdsparken 8A 3460 Birkerød

## **Management's Review**

### **Primary activities of entity**

The company's activity is sales.

### **Development in activities and financial affairs**

The company revenue is reduced significantly due to termination of employees and reduction of sales. Other external costs are increased due to termination costs.

The company's financial performance is considered satisfying.

### **Significant events occurred after the end of the financial year**

No events materially affecting the financial position of the company have occurred after the end of the financial year.

## Income statement 1 January - 31 December

	Notes	2016	2015
<b>Revenue</b>		<b>4.462.199</b>	<b>8.955.033</b>
Cost of sales		0	-218.366
Other operating income		9.299	0
Other external expenses		-1.486.984	-1.383.653
<b>Gross profit</b>		<b>2.984.514</b>	<b>7.353.014</b>
Staff costs	1	-2.592.633	-6.632.837
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-48.417	-56.840
<b>Operating profit</b>		<b>343.464</b>	<b>663.337</b>
Financial income		660	2.576
Financial expenses	3	-13.588	-12.476
<b>Profit before tax</b>		<b>330.536</b>	<b>653.437</b>
Tax expense	4	-83.354	-160.399
<b>Profit for the year</b>		<b>247.182</b>	<b>493.038</b>
<b>Proposed distribution of results</b>			
Retained earnings		247.182	493.038
Proposed dividend recognised in equity		0	0
<b>Total distribution</b>		<b>247.182</b>	<b>493.038</b>

## Balance sheet at 31 December

### Assets

	Notes	2016	2015
Fixtures, fittings, tools and equipment	5	9.500	175.418
<b>Property, plant and equipment</b>		<b>9.500</b>	<b>175.418</b>
<b>Fixed assets</b>		<b>9.500</b>	<b>175.418</b>
Receivables from group enterprises		1.161.931	1.418.353
Other receivables		161.478	403.531
Deferred tax assets		4.000	0
<b>Receivables</b>		<b>1.327.409</b>	<b>1.821.883</b>
<b>Cash and cash equivalents</b>		<b>45.968</b>	<b>91.264</b>
<b>Current assets</b>		<b>1.373.377</b>	<b>1.913.147</b>
<b>Assets</b>		<b>1.382.877</b>	<b>2.088.565</b>



## Balance sheet at 31 December

### Equity and liabilities

	Notes	2016	2015
Share capital		80.000	80.000
Retained earnings		898.548	651.366
Proposed dividend recognised in equity		0	0
<b>Equity</b>	<b>6</b>	<b>978.548</b>	<b>731.366</b>
Provisions for deferred tax		0	3.000
<b>Provisions</b>		<b>0</b>	<b>3.000</b>
Trade payables		30.000	86.250
Tax payables		82.354	157.399
Other payables		291.975	1.110.550
<b>Short-term liabilities other than provisions</b>		<b>404.329</b>	<b>1.354.199</b>
<b>Liabilities other than provisions</b>		<b>404.329</b>	<b>1.354.199</b>
<b>Equity and liabilities</b>		<b>1.382.877</b>	<b>2.088.565</b>

## Notes

	<u>2016</u>	<u>2015</u>
<b>1 Staff costs</b>		
Wages and salaries	2.499.658	6.097.598
Post-employment benefit expense	66.727	498.133
Social security contributions	26.248	37.106
	<u>2.592.633</u>	<u>6.632.837</u>
Average number of full time employees	<u>3</u>	<u>7</u>
<b>2 Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss</b>		
Depreciation, fixtures, fittings, tools and equipment	48.417	56.840
	<u>48.417</u>	<u>56.840</u>
<b>3 Financial expenses</b>		
Other financial expenses	13.588	12.476
	<u>13.588</u>	<u>12.476</u>
<b>4 Tax expense</b>		
Tax expense on ordinary activities	90.354	161.586
Adjustment of deferred tax	-7.000	3.000
Tax, prior years	0	-4.187
	<u>83.354</u>	<u>160.399</u>

## Notes

	2016	2015
<b>5 Fixtures, fittings, tools and equipment</b>		
Cost at 1 January	238.931	95.058
Additions	0	143.873
Disposals	-228.931	0
Cost at 31 December	<u>10.000</u>	<u>238.931</u>
Depreciations at 1 January	63.513	6.673
Depreciations for the year	48.417	56.840
Depreciations on disposals of the year	-111.430	0
Depreciations at 31 December	<u>500</u>	<u>63.513</u>
<b>Carrying amount at 31 December</b>	<u><b>9.500</b></u>	<u><b>175.418</b></u>
<b>6 Equity</b>		
Share capital at 1 January	<u>80.000</u>	<u>80.000</u>
Share capital at 31 December	<u>80.000</u>	<u>80.000</u>
Retained earnings at 1 January	651.366	158.328
Proposed distribution of results this year	247.182	493.038
Retained earnings at 31 December	<u>898.548</u>	<u>651.366</u>
Proposed dividend recognised in equity at 1 January	0	0
Dividend paid	0	0
Proposed distribution of results	0	0
Proposed dividend recognised in equity at 31 December	<u>0</u>	<u>0</u>
<b>Equity at 31 December</b>	<u><b>978.548</b></u>	<u><b>731.366</b></u>

## **Accounting policies**

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

### **Changes in accounting policies**

Gains and losses on disposal of property, plant and equipment are recognized in the income statement under other operating income or other operating expenses. Previously this has been recognized under depreciation and amortization. The change has no impact on the results, balance sheet and equity.

Apart from the above mentioned areas the accounting policies are consistent with those of last year.

Presented in DKK.

### **General**

#### **In general regarding accounting and measuring**

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

## **Accounting policies**

### **Currency retranslation**

Transactions denominated in foreign currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

### **Income statement**

#### **Revenue**

Revenue includes invoiced sales of goods and rendering of services, recognition is done, when

- delivery and transfer of risk to the buyer has taken place before year end
- a committing sales agreement exists
- sales price is determined, and
- payment is received, or there are reasonable security that it will be received

Revenue is recognized excluding value added tax and after deduction of provisions rebates and trade discounts relating to the sale.

#### **Cost of sales**

Cost of sales include costs incurred to achieve revenue for the year. Cost of sales include freight and forwarding costs.

#### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

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

Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

#### **Staff costs**

## **Accounting policies**

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits ect. to the company's employees.

### **Financial items**

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

### **Tax expense**

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

## Accounting policies

### Balance sheet

#### Property, plant and equipment

Property, plant, fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	<u>Useful life</u>	<u>Expected scrap value</u>
Fixtures, fittings, tools and equipment	3-5 years	0%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or other operating expenses.

#### Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

## **Accounting policies**

### **Cash and bank balances**

Cash comprises cash balances and bank balances.

### **Dividends**

Dividends expected to be paid in respect of the year are stated as a separate line item under liabilities.

### **Current tax and current deferred tax**

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

### **Liabilities**

Other liabilities are measured at amortized cost, corresponding to the nominal value.