

# Kinnerton Properties ApS

Hammerensgade 6, st. th.  
1267 København K  
Denmark

CVR no. 35 66 90 00

**Annual report for the period 1 July 2019 – 30 June 2020**

The annual report was presented and approved at the  
Company's annual general meeting on

25 September 2020

Jens Bisgaard-Frantzen  
chairman

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**Kinnerton Properties ApS**  
Annual report 2019/20  
CVR no. 35 66 90 00

## **Statement by the Executive Board**

The Executive Board has today discussed and approved the annual report of Kinnerton Properties ApS for the financial year 1 July 2019 – 30 June 2020.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2020 and of the results of the Company's operations for the financial year 1 July 2019 – 30 June 2020.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend that the annual report be approved at the annual general meeting.

Copenhagen, 25 September 2020  
Executive Board:

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Jens Bisgaard-Frantzen



## Independent auditor's report

### To the shareholder of Kinnerton Properties ApS

#### Opinion

We have audited the financial statements of Kinnerton Properties ApS for the financial year 1 July 2019 – 30 June 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2020 and of the results of the Company's operations for the financial year 1 July 2019 – 30 June 2020 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may



## Independent auditor's report

- involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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.
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
  - conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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 audit 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 audit, 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 of the Management's review.

Copenhagen, 25 September 2020

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Niels Vendelbo  
State Authorised  
Public Accountant  
mne34532

**Kinnerton Properties ApS**  
Annual report 2019/20  
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## Management's review

### Company details

Kinnerton Properties ApS  
Hammerensgade 6, st. th.  
1267 København K  
Denmark

Telephone: 38412920

CVR no.: 35 66 90 00  
Established: 6 February 2014  
Registered office: Copenhagen  
Financial year: 1 July – 30 June

### Executive Board

Jens Bisgaard-Frantzen

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfaergevej 28  
DK-2100 Copenhagen  
Denmark

## **Management's review**

### **Operating review**

#### **Principal activities**

The company's main activity is to invest in real estate property as well as other related activities.

#### **Development in activities and financial position**

The company's income statement for the year ended 30 June 2020 showed a profit of DKK 201,492, and the company's balance sheet at 30 June 2020 showed equity of DKK 5,293,550.

The results for the year are considered satisfactory.

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

No events have occurred after the balance sheet date, that may materially affect the company's financial position.

## Financial statements 1 July – 30 June

### Income statement

DKK	Note	2019/20	2018/19
<b>Gross profit/loss</b>		339,733	-414,831
Value adjustment of investment properties		<u>0</u>	<u>325,000</u>
<b>Operating profit/loss</b>		339,733	-89,831
Financial expenses	3	<u>-138,241</u>	<u>-293,108</u>
<b>Profit/loss before tax</b>		201,492	-382,939
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
<b>Profit/loss for the year</b>		<u>201,492</u>	<u>-382,939</u>
<b>Proposed profit appropriation/distribution of loss</b>			
Retained earnings		<u>201,492</u>	<u>-382,939</u>



## Financial statements 1 July – 30 June

### Balance sheet

DKK	Note	30/6 2020	30/6 2019
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>	4		
Investment properties		<u>9,310,000</u>	<u>11,000,000</u>
<b>Total fixed assets</b>		<u>9,310,000</u>	<u>11,000,000</u>
<b>Current assets</b>			
<b>Receivables</b>			
Other receivables		<u>3,497</u>	<u>11,886</u>
<b>Cash at bank and in hand</b>		<u>1,098,954</u>	<u>360,735</u>
<b>Total current assets</b>		<u>1,102,451</u>	<u>372,621</u>
<b>TOTAL ASSETS</b>		<u><u>10,412,451</u></u>	<u><u>11,372,621</u></u>

## Financial statements 1 July – 30 June

### Balance sheet

DKK	Note	30/6 2020	30/6 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		3,000,000	3,000,000
Retained earnings		<u>2,293,550</u>	<u>2,092,058</u>
<b>Total equity</b>		<u>5,293,550</u>	<u>5,092,058</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
	5		
Debt to credit institutions		4,808,500	4,720,763
Payables to group entities		<u>0</u>	<u>1,000,000</u>
		<u>4,808,500</u>	<u>5,720,763</u>
<b>Current liabilities</b>			
	5		
Current portion of non-current liabilities		0	261,737
Trade payables		68,125	52,750
Deposits		<u>242,276</u>	<u>245,313</u>
		<u>310,401</u>	<u>559,800</u>
<b>Total liabilities</b>		<u>5,118,901</u>	<u>6,280,563</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>10,412,451</u>	<u>11,372,621</u>
<b>Average number of employees</b>	2		
<b>Mortgages and collateral</b>	6		

## Financial statements 1 July – 30 June

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 July 2019	3,000,000	2,092,058	5,092,058
Transferred over the profit appropriation	0	201,492	201,492
<b>Equity at 30 June 2020</b>	<b>3,000,000</b>	<b>2,293,550</b>	<b>5,293,550</b>

## Financial statements 1 July – 30 June

### Notes

#### 1 Accounting policies

The annual report of Kinnerton Properties ApS for 2019/20 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Change in comparative figures

In the balance sheet certain reclassifications have been made in the comparative figures for 2018/19, but these reclassifications have not effected total equity.

### Income statement

#### Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

#### Revenue

Revenue from rent income is recognised in the income statement in the period to which the rent income relates.

#### Other external costs

Other external costs comprise administration costs and costs in relation to buildings.

#### Value adjustment of investment properties

Value adjustment comprises the year's changes in the fair value of investment property.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense and realized losses on mortgage debt.

#### Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

## Financial statements 1 July – 30 June

### Notes

#### 1 Accounting policies (continued)

##### Balance sheet

###### Investment properties

Investment property comprises property that is held to earn rentals, held for capital appreciation or both.

Initially, investment property is measured at cost including purchase price and directly related costs. The carrying amount also includes costs for improvements if recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the income statement in the year in which they arise.

The properties are valued using the income capitalisation method where a property's fair value is estimated based on the normalised net operation income generated by the property, which is divided by the capitalisation rate or from an assessed fair value by an independent valuer.

###### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

###### Liabilities

Liabilities are measured at net realisable value.

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

Tax for the year comprises current corporation tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement.

#### 2 Average number of employees

The company does not have any employees (2018/19: 0)

#### 3 Financial expenses

DKK	2019/20	2018/19
Interest expense to group entities	47,123	194,521
Other financial costs	91,118	98,587
	<u>138,241</u>	<u>293,108</u>

## Financial statements 1 July – 30 June

### Notes

#### 4 Property, plant and equipment

DKK	Investment properties
Cost at 1 July 2019	7,916,492
Disposals for the year	<u>-1,320,000</u>
Cost at 30 June 2020	6,596,492
Revaluations at 1 July 2019	3,083,508
Reversal for the year of revaluation of assets sold	<u>-370,000</u>
Revaluations at 30 June 2020	2,713,508
Depreciation and impairment losses at 30 June 2020	<u>0</u>
<b>Carrying amount at 30 June 2020</b>	<b><u><u>9,310,000</u></u></b>

#### Key assumptions:

The properties located Ringkøbing is used for residential, totalling 960 sqm. In valuation of the property there has been applied an exit yield of 5%

#### Sensitivity analysis:

An increase of the exit yield by 0.25 percentage points would reduce the property value by DKK 673 thousand and a decrease in the exit yield by 0.25 percentage points would increase the property value by DKK 696 thousand at the balance sheet date.

#### 5 Non-current liabilities

DKK	Total debt at 30/06 2020	Repayment, first year	Outstanding debt after five years
Bank loans	<u>4,808,500</u>	<u>258,637</u>	<u>3,973,782</u>
	<u><u>4,808,500</u></u>	<u><u>258,637</u></u>	<u><u>3,973,782</u></u>

#### 6 Mortgages and collateral

As collateral for its mortgage debt there is a registered mortgage deed of DKK 5,396,000.