

**ANNUAL REPORT**  
**1. januar - 31. december 2016**

**BHGK ApS**  
Ryttergårdsvej 3  
7673 Harboøre

CVR nr. 36054239

**Submitter:**  
Sønderup I/S  
Statsautoriserede revisorer  
Jyllandsgade 9  
4100 Ringsted

**Presented and approved at the company's ordinary  
general meeting 19. juni 2017**

**Chairman**  
Jan Pedersen



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## Management's Statement on the Annual Report

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The management have today considered and approved the annual report for BHGK ApS for the financial year 1 January to 31 December 2016.

The annual report is presented in accordance with the Danish Financial Statements Act.

In the managements opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2016 and of its financial performance for the financial year 1 January to 31 December 2016.

We recommend the annual report for approval at the annual general meeting.

Lemvig, 19. juni 2017

### Executive Board



Chun Kei Alex Lau



Jan Pedersen

# **The Independent Practitioner's Extended Review Report on Financial Statements**

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## **To the shareholders of BHGK ApS**

We have performed an extended review of the accompanying financial statements of BHGK ApS for the financial year 1. januar - 31. december 2016, ]. The accompanying financial statements, which comprise summary of significant accounting policies, income statement, balance sheet and notes, are prepared in accordance with the Danish Financial Statements Act.

## **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 as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

## **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our extended review in accordance with the Danish Business Authority's assurance standard for small entities and FSR - danske revisorer's standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act.

This requires us to comply with the Danish Act on Approved Auditors and Audit Firms and FSR - danske revisorer's Code of Ethics and perform procedures in order to obtain limited assurance for our conclusion on these Financial Statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating 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 these financial statements .

The extended review has not resulted in any qualifications.

# The Independent Practitioner's Extended Review Report on Financial Statements

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## **Conclusion**

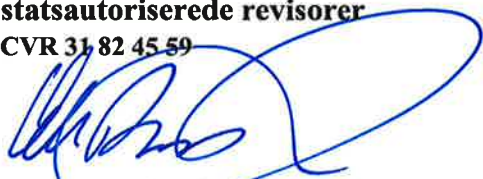
Based on the work performed it is our opinion that these financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31. december 2016 and of its financial performance for the financial year 1. januar - 31. december 2016 in accordance with the Danish Financial Statements Act.

Ringsted, den 19. juni 2017

**SØNDERUP I/S**

**statsautoriserede revisorer**

**CVR 31 82 45 59**



Ole Rygaard Andersen

registreret revisor

## Accounting principles applied

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The annual report for BHGK ApS 2016 has been prepared in accordance with the Danish Financial Statements Act for class B companies.

The income statement is presented by type of expenditure and the balance sheet is presented in account from.

The measurement currency used is Danish kroner. All other currencies are considered foreign currency.

The company has, in accordance with the Danish Financial Statements Act § 43A chosen to recognize investments in group companies under the equity method.

The accounting principles were applied consistently with the principles of last year's financial reporting.

### **General information on recognition and measurement**

Income is recognized in the income statement as earned, including any value adjustments of financial assets and liabilities. Furthermore, all costs, including amortisation/depreciation and write-downs, are recognized in the income statement.

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

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

The first recognition measures assets and liabilities at cost. Subsequently, assets and liabilities will be measured individually in respect of each accounting item as described below.

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.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 (1) of the Danish Financial Statements Act, the first item in the income statement is the gross profit. The item gross profit is the result of revenue, cost of sales, other external cost and other operating income.

#### **Revenue**

Net sales in connection with sales of commercial products and finished products are recognized in the profit and loss account, if delivery has taken place and the risk has passed to the customer before the end of the year. Net sales are recognized ex. VAT and net of discounts related to the individual sale.

# Accounting principles applied

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## **Other external cost**

Other external cost comprise costs for distribution, sales, advertising, administration, premises, operating leasing costs etc.

## **Financial items**

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year. The financial items comprise interest income and expense and surcharges and refunds regarding corporation tax.

## **Tax for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly on equity by the portion attributable to entries directly on equity.

## **Balance sheet**

### **Tangible fixed assets**

Land and buildings, other plant, operating equipment and tools and fixtures as well as leasehold improvements are measured at cost price less accumulated depreciation and write-down.

Depreciation is based on cost price less expected residual value after end of service life. Land is not subject to depreciation. The cost price includes acquisition price and costs directly linked to the acquisition until the time when the asset is ready for commencement of use.

Straight-line depreciation is based on the following assesment of the assets expected useful lives:

Buildings: 50 years. Other fixtures and fittings, tools and equipment: 5 år.

Assets with a cost per unit under the tax threshold for small assets are recognized as expenses in the year of acquisition.

Profits or losses in connection with disposal of tangible fixed assets are calculated as the difference between the sales price less sales costs and the book value at the time of sale. Profits and losses are entered in the income statement under other operating income and -costs.

### **Leases**

Rental and lease contracts is considered as operating leases. Payments in connection with operating lease and other rental agreements are recognized in the income statement over the lease term. The company's total liabilities concerning operating leases are disclosed in connection with contingent items etc.

## Accounting principles applied

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### **Financial fixed assets**

#### **Investments in group companies and associates**

The proportionate share of the group companies and associated companies are recognized in the income statement. Investments from these companies are recognized in the balance sheet at the proportionate share of the net asset value.

Group companies and associates with negative net asset values are recognized at DKK zero and any receivables from these enterprises are written down by the parent company's share of the negative equity to the extent it is deemed uncollectible. If the negative net book value exceeds the amount owed, the remaining amount is recognized under provisions to the extent that the parent has a legal or constructive obligation to cover the subsidiary's balance sheet.

The total net revaluation of investments in group companies and associates are transferred to reserve for net revaluation according to the equity method under equity. The reserve is reduced by dividend payments to the parent company and by other changes in equity in group companies and associated companies.

Newly acquired or established companies are recognized in the annual report from the acquisition date. Sold or divested companies are included up to the date of disposal.

Surcharge on acquisition of interests in relation to the actual net asset value is considered goodwill. This goodwill is amortized linearly over the estimated service life. The amortization period for goodwill is in the annual report incorporated with 10 years.

#### **Impairment of fixed assets**

The carrying value of intangible and tangible fixed assets and investments in subsidiaries are assessed annually for indications of impairment beyond what is expressed by depreciation.

If there are indications of impairment, an impairment test of each asset or group of assets will be made. Impairment will be made to its recoverable amount if this is lower than the carrying value.

#### **Inventories**

Inventories are valued at cost using the FIFO method. In cases where net realizable value is lower than cost, it will be written down to this lower value.

Cost of goods for resale, raw materials and consumables comprise of purchase price plus transportation costs.

The cost of finished goods and work in progress comprises raw materials, direct labor and direct production costs.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs to be incurred to make the sale and is determined taking into account marketability, obsolescence and development in expected sales.



## Accounting principles applied

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### **Receivables**

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Value is reduced by provisions for bad debts.

### **Prepayments**

Prepaid expenses are recorded as assets.

### **Tax payable and deferred tax**

Current tax liabilities and current tax assets are recognized in the balance sheet as tax calculated on the taxable income allocated with the current tax rate, and adjusted for tax on prior years taxable income and prepaid taxes.

Deferred tax is measured by the liability method concerning temporary differences between the carrying value and tax value of assets and liabilities, calculated based on the planned use of the assets and settlement of the obligation, respectively.

Deferred tax assets, including the tax value of tax losses allowed for carry-forward, are measured at the value at which the asset is expected to be realisable, either through elimination in tax on future earnings or through offsetting in deferred tax liabilities in the same legal tax unit. Any deferred net tax assets are measured at their net realisation values.

Deferred tax is measured based on the tax rules and tax rates applicable in pursuance of the legislation in force on the balance sheet date when the deferred tax is expected to become payable as current tax. Changes in deferred tax due to change in tax rates is recognized in the income statement.

### **Liabilities**

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

### **Conversion of foreign currency**

Transactions in foreign currencies are converted at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognized in the income statement as a financial income or expense. If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognized directly in the equity.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are converted at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the receivable or payable is recognized in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are converted at the rate of exchange on the transaction date.

## Income statement 1 January - 31 December

Note	2016	2015
Gross profit	-3.127.940	395.420
1. Depreciation and write-downs	-512.358	-413.487
<b>OPERATING PROFIT</b>	<b>-3.640.298</b>	<b>-18.067</b>
Other financial income	557	0
Other financial costs	-336.365	-59.530
<b>PROFIT/-LOSS BEFORE TAX</b>	<b>-3.976.106</b>	<b>-77.597</b>
<b>NET PROFIT/-LOSS FOR THE YEAR</b>	<b>-3.976.106</b>	<b>-77.597</b>
<b>Appropriation of profit</b>		
Retained earnings	-3.976.106	-77.597
<b>Total appropriation</b>	<b>-3.976.106</b>	<b>-77.597</b>

## Balance sheet 31 December

Note	2016	2015
<b>ASSETS</b>		
Land and buildings	12.077.176	12.155.922
Other fixtures and fittings, tools and equipment	1.324.824	1.412.342
<b>Total tangible fixed assets</b>	<b>13.402.000</b>	<b>13.568.264</b>
<b>2. Financial fixed assets</b>		
Investments in associates	50.000	0
<b>Total financial fixed assets</b>	<b>50.000</b>	<b>0</b>
<b>TOTAL FIXED ASSETS</b>	<b>13.452.000</b>	<b>13.568.264</b>
Finished goods and merchandise	584.412	322.000
<b>Total inventories</b>	<b>584.412</b>	<b>322.000</b>
Receivables from group companies	51.571	1.763.422
Other receivables	125.000	120.834
Prepayments	126.197	25.203
<b>Total receivables</b>	<b>302.768</b>	<b>1.909.459</b>
Cash funds	89.652	51.138
<b>Total cash funds</b>	<b>89.652</b>	<b>51.138</b>
<b>TOTAL CURRENT ASSETS</b>	<b>976.832</b>	<b>2.282.597</b>
<b>TOTAL ASSETS</b>	<b>14.428.832</b>	<b>15.850.861</b>

## Balance sheet 31 December

Note	2016	2015
<b>EQUITY AND LIABILITIES</b>		
<b>3. Equity</b>		
Share capital	50.000	50.000
Retained earnings	3.842.598	7.818.703
<b>TOTAL EQUITY</b>	<b>3.892.598</b>	<b>7.868.703</b>
<b>4. Long-term liabilities</b>		
Mortgage debt	3.615.055	3.655.000
<b>Total long-term liabilities</b>	<b>3.615.055</b>	<b>3.655.000</b>
Suppliers of goods and services	184.687	35.793
Payables to group companies	6.667.577	4.291.365
Other payables	45.391	0
Deferred income	23.524	0
<b>Total short-term liabilities</b>	<b>6.921.179</b>	<b>4.327.158</b>
<b>TOTAL LIABILITIES</b>	<b>10.536.234</b>	<b>7.982.158</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14.428.832</b>	<b>15.850.861</b>
5. Main activity		
6. Charges and securities		
7. Contingencies		

## Noter

	2016	2015
<b>1. Depreciation and write-downs</b>		
Depreciation and write-downs of fixed assets	512.358	413.487
<b>Total depreciation and write-downs</b>	<b>512.358</b>	<b>413.487</b>
<b>2. Financial fixed assets</b>		
Specification of investments in group companies BHKG Catering ApS, Blåvand, ownership 100%		
<b>3. Equity</b>		
<b>Share capital</b>		
Beginning of year	50.000	50.000
<b>End of year</b>	<b>50.000</b>	<b>50.000</b>
<b>Retained earnings</b>		
Beginning of year	7.818.704	7.896.300
Transferred from net profit	-3.976.106	-77.597
<b>End of year</b>	<b>3.842.598</b>	<b>7.818.703</b>
<b>Dividend</b>		
<b>Equity end of year</b>	<b>3.892.598</b>	<b>7.868.703</b>

#### 4. Long-term liabilities

DKK 3.400.000 of long-term debt are due after 5 years.

#### 5. Main activity

The company's main activity is to own and operate a golf course along with related activity.

#### 6. Charges and securities

The company has not made any pledges or security.

As security for the mortgage loans, large DKK 3.615.055, land and buildings with a carrying amount of DKK 4.105.356 has been mortgaged.

## Noter

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### **7. Contingencies**

There is not provided special guarantees besides the usual guarantees for completed work.

The company is not in addition to the above assumed surety, guarantee or other contingent liabilities, other than those stated in the balance sheet.

The company has a tax loss. The deferred tax liability associated therewith is not enabled, as it is estimated that it will not be used.

The value of the tax asset amounts to DKK 291.705