# Fehmarn Belt Contractors I/S

c/o Bird & Bird Kalkbrænderiløbskaj 4, 2100 København Ø

CVR no. 37 67 20 76

Annual report 2017

Approved at the Company's annual general meeting on 26 June 2018

Chairman:





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## Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Fehmarn Belt Contractors I/S for the financial year 1 January - 31 December 2017.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Executive Board has considered the criteria for omission of audit to be met.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

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

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

Copenhagen, 26 June 2018 Executive Board:

Frank Christiaan Stikkel

Cyrille Raimond Schroten



## Independent auditor's report on the compilation of financial statements

To the general management of Fehmarn Belt Contractors I/S

We have compiled the financial statements of Fehmarn Belt Contractors I/S for the financial year 1 January - 31 December 2017 based on the Company's bookkeeping and other information provided.

The financial statements comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

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

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant ethical requirements in the Danish act on approved auditors and audit firms and FSR - Danish Auditors' code of ethics, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements 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 the financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 26 June 2018

**ERNST & YOUNG** 

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Lissen Fagerlin Hammer
State Authorised Public Accountant

MNE no.: mne27747



## Management's review

#### Company details

Name Fehmarn Belt Contractors I/S

Address, Postal code, City c/o Bird & Bird

Kalkbrænderiløbskaj 4, 2100 København Ø

CVR no. 37 67 20 76 Established 10 May 2016 Registered office København

Financial year 1 January - 31 December

Executive Board Frank Christiaan Stikkel

Cyrille Raimond Schroten

### Management commentary

#### Business review

The purpose of the partnership is to carry out work in relation to the future Fehmarn Belt fixed link, which is to be constructed as an immersed tunnel, across the Baltic Sea between the island of Fehmarn in Germany and the island of Lolland in Denmark.

#### Financial review

The income statement for 2017 shows a profit of DKK 296,626 against a loss of DKK 30,000 last year, and the balance sheet at 31 December 2017 shows equity of DKK 266,626.

#### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



## Income statement

Note	DKK	2017 12 months	2016 8 months
	Other external expenses	-33,000	-30,000
2	Gross margin Staff costs	-33,000 0	-30,000 0
3	Profit/loss before net financials Financial income	-33,000 329,626	-30,000 0
	Profit/loss for the year	296,626	-30,000
	Recommended appropriation of profit/loss Boskalis Denmark ApS Van Oord DMC ApS	148,313 148,313	-15,000 -15,000
		296,626	-30,000



## Balance sheet

Note	DKK	2017	2016
	ASSETS Non-fixed assets Receivables		
	Other receivables	236,282	232,083
	Receivables from owners	329,626	59,475,200
		565,908	59,707,283
	Cash	9,346,545	4,519,899
	Total non-fixed assets	9,912,453	64,227,182
	TOTAL ASSETS	9,912,453	64,227,182
	EQUITY AND LIABILITIES Equity Boskalis Denmark ApS	133,313	-15,000
	Van Oord DMC ApS	133,313	-15,000
	Total equity	266,626	-30,000
	Liabilities other than provisions Current liabilities other than provisions		
4	Construction contracts	7,570,156	10,769,441
	Trade payables	2,075,671	53,487,741
		9,645,827	64,257,182
	Total liabilities other than provisions	9,645,827	64,257,182
	TOTAL EQUITY AND LIABILITIES	9,912,453	64,227,182
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<sup>1</sup> Accounting policies5 Collateral6 Related parties



## Statement of changes in equity

Boskalis Denmark ApS	Van Oord DMC ApS	Total
-15,000	-15,000	-30,000
148,313	148,313	296,626
0	0	0
133,313	133,313	266,626
	-15,000 148,313 0	-15,000 -15,000 148,313 148,313 0 0



#### Notes to the financial statements

#### Accounting policies

The annual report of Fehmann Belt Contractors I/S for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

#### Income statement

#### Revenue

Income from contract work is recognised as revenue at the time of delivery and the transfer of the risk to the buyer.

#### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

#### Balance sheet

#### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

## Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is measured at the expenses incurred in so far as they expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.



#### Notes to the financial statements

### 1 Accounting policies (continued)

#### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate.

Other liabilities are measured at net realisable value.

### 2 Staff costs

The establishment has no employees.

	DKK	2017 12 months	2016 8 months
3	Financial income Interest receivable, owners	329,626	0
		329,626	
4	Construction contracts Selling price of work performed Progress billings	57,629,532 -65,199,688	54,430,247 -65,199,688
		-7,570,156	-10,769,441
	recognised as follows:		
	Construction contracts (liabilities)	-7,570,156	-10,769,441
		-7,570,156	-10,769,441

## 5 Collateral

The establishment owners is jointly and severally obligated of any obligations and contingencies belonging to the partnership Fehmarn Belt Contractors I/S.



## Notes to the financial statements

### 6 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Van Oord Dredging and Marine Contractors BV	Schaardijk 211 3063NHRotterdamThe Netherlands	Schaardijk 211 3063NHRotterdamThe Netherlands
Royal Boskalis Westminster N.V.	Rosmolenweg 20, 3356 LK Papendrecht, Holland/the Netherlands	www.boskalis.com

## Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
Van Oord DMC ApS, 50%	c/o Bird & Bird, Kalkbrænderiløbskaj 4, 2100 København Ø
Boskalis Denmark ApS,50%	c/o Bird & Bird, Kalkbrænderiløbskaj 4, 2100 København Ø