

**Tuborg Boulevard 12** 

2900 Hellerup

CVR No. 38895540

# **Annual Report 2019**

2. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 10 July 2020

Anthony Charles Minana Chairman

## Contents

Management's Statement	3
ndependent Auditors' Report	4
Management's Review	6
Accounting Policies	7
ncome Statement	10
Balance Sheet	11
Statement of changes in Equity	13
Notes	14

## **Management's Statement**

Today, Management has considered and adopted the Annual Report of Digital Workforce A/S for the financial year 1 January 2019 - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 10 July 2020

#### **Executive Board**

Anthony Charles Minana Manager

## **Supervisory Board**

Heikki LänsisyrjäJukka VirkkunenMika Vainio-MattilaChairmanMemberMember

## **Independent Auditors' Report**

#### To the shareholders of Digital Workforce A/S

#### **Opinion**

We have audited the financial statements of Digital Workforce A/S for the financial year 1 January 2019 - 31 December 2019, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 financial position at 31 December 2019 and of the results of its operations for the financial year 1 January 2019 - 31 December 2019 in accordance with the Danish Financial Statements Act.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, and we have fulfilled our other ethical responsibilities in accordance with these 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 as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

## The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- \* Identify and assess the risk of material misstatements in the 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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.

## **Independent Auditors' Report**

- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

#### **Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 10 July 2020

**KPMG P/S** 

CVR-no. 25578198

Klaus Rytz State Authorised Public Accountant mne33205

## **Management's Review**

## The Company's principal activities

The Company's principal activities consist in consultancy regarding implementation and cloud service in process automation and robotics as well as related business.

### **Development in activities and financial matters**

The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a result of DKK -2.846.324 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 3.951.838 and an equity of DKK -2.584.487.

## Uncertainties relating to going concern

The company has lost more than 50% of its share capital, and are therefore subject to the company law.

The company has on March 27 2020 increased the share capital from DKK 505.978,75 to DKK 509.000 with debt conversion of DKK 3.022.000.

Further the company has received a letter of comfort regarding financial support from the parent Company Digital Workforce Services Oy, which declares that Digital Workforce Services Oy will provide the necessary financial support, if the company are not able by its own to fulfill its financial liabilities.

Based on this it is Managements assessment that the Company is going concern.

## **Accounting Policies**

#### **Reporting Class**

The Annual Report of Digital Workforce A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

#### **Reclassification of comparative figures**

The company has adjusted comparative figures for "Other external expenses" and "Employee benefits expense" since "Other external expenses" in 2017/18 contained accounting items, which are to be classified as "Employee benefits expense".

The adjustment of the comparative figures has not affected the company's profit or equity.

#### Reporting currency

The Annual Report is presented in Danish kroner.

#### **Translation policies**

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

#### Basis of recognition and measurement

The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

#### **Accounting Policies**

#### **Income Statement**

#### **Gross profit/loss**

Gross profit is a combination of the items of revenue, other operation income, raw materials and consumables used and other external expenses.

#### Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer beforeyear-end, if it is possible to calculate the income reliably. The revenue is exclusive of VAT and net of sales discounts.

### Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises.

#### Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts and costs for subcontractors.

#### Other external expenses

Other external costs include costs for sales and administration etc.

#### **Employee expenses**

Employee expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimburdement, pensions and social security costs.

Other employee expenses are recognised in other external expenses.

## Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses and transactions in foreign currencies.

#### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## **Balance Sheet**

## **Deposits**

Deposits are measured at cost.

#### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

### **Prepayments**

Prepayments is recognised in assets comprises prepaid costs regarding subsequent financial years.

## Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

## **Accounting Policies**

#### Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in tha articles of association.

#### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

## **Payables**

Payables are measured at amortised cost, which usually corresponds to the nominal value

#### Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

## **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## **Income Statement**

	Note	2019 kr.	2017/18 kr.
Gross profit		1.605.379	-1.663.680
Employee benefits expense  Profit from ordinary operating activities	1 _	-4.350.401 - <b>2.745.022</b>	-4.370.979 - <b>6.034.659</b>
Other finance income Finance expenses arising from group enterprises		18.257 -88.012	4.278 -157.365
Other finance expenses  Profit from ordinary activities before tax	_	-31.547 - <b>2.846.324</b>	-29.386 - <b>6.217.132</b>
Tax expense on ordinary activities  Profit	_	0 - <b>2.846.324</b>	0 -6.217.132
Proposed distribution of results Retained earnings Distribution of profit	_	-2.846.324 <b>-2.846.324</b>	-6.217.132 -6.217.132

## **Balance Sheet as of 31 December**

	Note	2019 kr.	2018 kr.
Assets			
Deposits, investments	_	91.139	91.139
Investments	-	91.139	91.139
Fixed assets	-	91.139	91.139
Short-term trade receivables		2.796.387	922.445
Other short-term receivables		5.000	5.000
Prepayments		85.654	108.087
Receivables	-	2.887.041	1.035.532
Cash and cash equivalents	-	973.658	659.342
Current assets	-	3.860.699	1.694.874
Assets	-	3.951.838	1.786.013

## **Balance Sheet as of 31 December**

	Note	2019 kr.	2018 kr.
Liabilities and equity			
Contributed capital		505.978	500.000
Retained earnings		-3.090.465	-6.217.132
Equity	_	-2.584.487	-5.717.132
Other payables		143.698	0
Long-term liabilities other than provisions	2	143.698	0
- I		00.046	450,000
Trade payables		99.816	156.062
Payables to group enterprises		2.787.443	5.758.750
Other payables		1.149.513	1.432.561
Deferred income, liabilities		2.355.855	155.772
Short-term liabilities other than provisions		6.392.627	7.503.145
Liabilities other than provisions within the business	_	6.536.325	7.503.145
Liabilities and equity	_	3.951.838	1.786.013
The Company's financial situation	3		
• •			
Colleterals and assets pladage as security	4		
Collaterals and assets pledges as security	5		

## Statement of changes in Equity

	Contributed	Share	Retained	
	capital	premium	earnings	Total
Equity 1 January 2019 Increase of capital by	500.000	0	-6.217.132	-5.717.132
conversion of debt	5.758	5.752.991		5.758.749
Share premium	220	220.000	0	220.220
Profit (loss) Transferred from share	0	0	-2.846.324	-2.846.324
premium		-5.972.991	5.972.991	0
Equity 31 December 2019	505.978	0	-3.090.465	-2.584.487

## **Notes**

		2019	2017/18
1. Employee benefits expense			
Wages and salaries		3.993.692	4.004.675
Post-employement benefit expense		312.034	324.934
Social security contributions		44.675	41.370
		4.350.401	4.370.979
Average number of employees		8	8
2. Long-term liabilities			
	Due	Due	Due
	after 1 year	within 1 year	after 5 years
Other payables	143.698	0	0
	143.698	0	0

## 3. Uncertainties relating to going concern

The Company has been loss making for 2019. The company has received a letter of comfort regarding financial support from the parent Company Digital Workforce Services Oy, which declares that Digital Workforce Services Oy will provide the necessary financial support, if the company are not able by its own to fulfill its financial liabilities. The letter of comfort covers the period until 31.12.2020. With the financial support the company continued operation is secured at least until 2020.

Further the company has on March 27 2020 increased the share capital from DKK 505.978,75 to DKK 509.000 with debt conversion of DKK 3.022.000.

## 4. Contingent liabilities

The company has an obligation regarding rent of approximately DKK 234.000.

## 5. Collaterals and securities

No securities or mortgages exist at the balance sheet date.