FDC Denmark ApS

Sundkrogsgade 21

c/o Harbour House, DK-2100 Copenhagen

CVR no. 40 57 48 32

Annual report for 2020

Adopted at the annual general meeting
on 16 July 2021

Emil Skov

Emil Skov
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of FDC Denmark ApS for the financial year 1 January - 31 December 2020.

The annual report is 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 financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 16 July 2021

Executive board

Gregory Kent Whitty
Director

Independent auditor's report

To the shareholder of FDC Denmark ApS

Disclaimer of Opinion

We were appointed auditors of the Financial Statements of FDC Denmark ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, notes and a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

We do not express an opinion on the Financial Statements. Because of the significance of the matters described in the ”Basis for Disclaimer of Opinion” paragraph, we have not been able to obtain sufficier and appropriate audit evidence to provide a basis for our opinion.

In our opinion the General Assembly should not approve the annual report.

Basis for Disclaimer of Opinion

The company's bookkeeping does not provide a reliable basis for preparing the financial statements, as there is a significant lack of documentation incurred. Furthermore, there is insufficient assurance that the correct expenses are included in the financial statements, just as significant unresolved differences have been found in the accounting.

As a result of these factors, we have not been able to determine whether any adjustments can be considered necessary in relation to costs and income, as well as the possible effect on the income statement and equity.

Management's responsibilities 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.

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.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to perform an audit of the Financial Statements in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark and to express an Auditor's Opinion. Because of the matter(s) described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion on the Financial Statements.

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 requirements.

Statement on management's review

As described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. We do not express an opinion on the Management's Review.

Report on other legal and regulatory requirements

Violation of the Danish Bookkeeping Act

In our opinion, the Company has not complied with the provisions of the Danish Bookkeeping Act to plan and perform the bookkeeping in accordance with generally accepted bookkeeping principles, taking into consideration the nature and scope of the activities.

The Company's Management may incur liability for the violation of the Danish bookkeeping legislation.

Violation of the Danish VAT legislation

Contrary to the Danish VAT Act the Company has submitted incorrect VAT returns to SKAT, the Danish Tax Authorities, and the Company's Management may incur liability in this respect.

Violation of the Danish Witholding Tax Law

Contrary to the Danish Witholding Tax Law the Company has not withheld or reported all income to SKAT, the Danish Tax Authorities according to Witholding Tax Law §68, and the Company's Management may incur liability in this respect.

Violation of the Deadline stated in the Danish Financial Statements Act Relating to Submission of the Financial Statements

In our opinion, the Company has not complied with the provisions of the Danish Financial Statements Act to submit the Financial Statements to the Danish Business Authority within the deadline of five months specified in the Danish Financial Statements Act, and the Company's Management may incur liability in this respect.

Independent auditor's report

Copenhagen, 16 July 2021

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Iben Larsen
State Authorised Public Accountant
MNE no. mne34474

Company details

The company	FDC Denmark ApS c/o Harbour House Sundkrogsgade 21 DK-2100 Copenhagen	
	CVR no.:	40 57 48 32
	Reporting period:	1 January - 31 December 2020
	Domicile:	Copenhagen
Executive board	Gregory Kent Whitty, director	
Auditors	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 DK-1561 Copenhagen	
Consolidated financial statements	The company is included in the consolidated financial statements of the parent company Facilities Development Corporaton The group annual report can be obtained at the following address: 1980 Isaac Newton Square West Reston VA 20190	

Management's review

Business review

The company´s purpose is to conduct business within consultancy regarding construction work and other related business.

Recognition and measurement uncertainties

We draw attention to the note "Uncertainty regarding payroll and tax at source" in the accounts, which describes the uncertainty associated with the registration for the Expat Tax Scheme at the Danish Tax Authorities.

Unusual matters

Significant misstatement:

The comparative figures have been corrected as a result of significant errors due to VAT adjustments etc.
The correction has increased the equity and the income statement for 2019 by USD 294.374.
The total assets for 2019 has increased by USD 37.074.
The total liabilities for 2019 has decreased by USD 257.300.

Going concern:

The management has obtained a support letter from the parent company to provide the necessary funding and liquidity to enable it to meet its liabilities as they become chargeable. The support letter remain in force until 31 December 2021. Based on this, management assesses that the preconditions for continued operation are present and on that basis, reports on the financial statements on the assumption of continued operation.

Financial review

The company's income statement for the year ended 31 December 2020 shows a loss of USD 427.993, and the balance sheet at 31 December 2020 shows negative equity of USD 412.579.

The company has lost more than half of the share capital. The recovery of the capital is expected to take the form of future earnings.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2020	2019
		USD	USD
Gross profit		**183.975**	**138.623**
Staff expenses	1	-603.394	-130.490
Profit/loss before net financials		**-419.419**	**8.133**
Financial expenses		-8.574	-217
Profit/loss before tax		**-427.993**	**7.916**
Tax on profit/loss for the year		0	0
Profit/loss for the year		**-427.993**	**7.916**

Distribution of profit

Retained earnings	-427.993	7.916
	-427.993	**7.916**

Balance sheet 31 December

	Note	2020 USD	2019 USD
Assets			
Receivables from group companies		546.577	260.022
Other receivables		126.491	25.673
Receivables		**673.068**	**285.695**
Total current assets		**673.068**	**285.695**
Total assets		**673.068**	**285.695**

Balance sheet 31 December

	Note	2020 USD	2019 USD
Equity and liabilities			
Share capital		7.498	7.498
Retained earnings		-420.077	7.916
Equity		**-412.579**	**15.414**
Other payables		1.085.647	270.281
Total current liabilities		**1.085.647**	**270.281**
Total liabilities		**1.085.647**	**270.281**
Total equity and liabilities		**673.068**	**285.695**
Staff expenses	1		
Uncertainty about the continued operation (going concern)	2		
Uncertainty in the recognition and measurement	3		
Rent and lease liabilities	4		
Mortgages and collateral	5		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2020	7.498	-286.458	-278.960
Net effect from adjustment of significant misstatement	0	294.374	294.374
Adjusted equity at 1 January 2020	7.498	7.916	15.414
Net profit/loss for the year	0	-427.993	-427.993
Equity at 31 December 2020	**7.498**	**-420.077**	**-412.579**

Notes

		2020	2019
		USD	USD
1	**Staff expenses**		
	Wages and salaries	603.394	130.490
		603.394	**130.490**
	Average number of employees	4	2

2 Uncertainty about the continued operation (going concern)

The management has obtained a support letter from the parent company to provide the necessary funding and liquidity to enable it to meet its liabilities as they become chargeable. The support letter remain in force until 31 December 2021. Based on this, management assesses that the preconditions for continued operation are present and on that basis, reports on the financial statements on the assumption of continued operation. The company has lost more than half of the share capital. The recovery of the capital is expected to take the form of future earnings.

3 Uncertainty in the recognition and measurement

There is an uncertainty regarding the measurement of payroll costs in the profit and loss and tax at source payable. If the company's employees are not granted permission to use the Expat Tax Scheme, the payroll costs and tax at source payable can be changed significantly.

		2020	2019
		USD	USD
4	**Rent and lease liabilities**		
	Operating lease liabilities. Total future lease payments:		
	Rent and lease liabilities	53.378	36.281
		53.378	**36.281**

Notes

5 Mortgages and collateral

The company has not placed any assets or other as security for loans at 31 December 2020.

Accounting policies

The annual report of FDC Denmark ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2020 is presented in USD:
USD/DKK 31 December 2019 = 6,68
USD/DKK 31 December 2020 = 6,06

Significant misstatement

The comparative figures have been corrected as a result of significant errors due to VAT adjustments etc.
The correction has increased the equity and the income statement for 2019 by USD 294.374.
The total assets for 2019 has increased by USD 37.074.
The total liabilities for 2019 has decreased by USD 257.300.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Cost of sales

Costs of raw materials and consumables include the raw materials and consumables used in generating the year’s revenue.

Other external expenses

Other external expenses include expenses related 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 pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

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 is impaired, an impairment loss for that individual asset is recognised.

Receivables for which there is no objective evidence of individual impairment are tested for impairment on a portfolio basis. The portfolios are primarily based on debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

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, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Accounting policies

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.