

# Xero Denmark A/S

Kuglegårdsvej 7, 1434 København K

CVR No. 42690562

## Annual Report

**For the 7 month period ended  
31 March 2022**

The annual report was submitted and approved by the general meeting on the 20 October 2022

Jacob Sørensen



Chairman of the meeting

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## Entity Details

### Entity

Xero Denmark A/S

Kuglegårdsvej 7

1434 København K

Business Registration No: 42690562

Registered office: Copenhagen

Financial period: 17.09.2021 - 31.03.2022

### Board of Directors

Kirsty Vanora Godfrey-Billy, Chairperson

Birgitte Pihl

Christian Brøndum

### Executive Board

Christopher Lawrence Blaine, CEO

### Auditor

EY Godkendt Revisionspartnerselskab

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today discussed and approved the annual report of Xero Denmark A/S ('Company') for the 7th month period 17.09.2021 - 31.03.2022. The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31.03.2022 and of the results of its operations for the 7th month period 17.09.2021 - 31.03.2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, the results for the year and the Company's financial position.

It is recommended to the general meeting that the financial statements for 2022/2023 should not be audited.

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

Copenhagen, 20 October 2022

### Executive Board

*Chris Blaine*

Christopher Lawrence Blaine  
CEO

### Board of Directors

*K V Godfrey-Billy*

Kirsty Vanora Godfrey-Billy  
Chairperson



Christian Brøndum

*Birgitte Pihl*

Birgitte Pihl

The annual general meeting has resolved that the financial statements for the coming financial year will not be audited.

# Independent auditor's report

To the shareholders of Xero Denmark A/S

## Opinion

We have audited the financial statements of Xero Denmark A/S for the financial year 17 September 2021 – 31 March 2022, which comprise 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 financial position of the Company at 31 March 2022 and of the results of the Company's operations for the financial year 17 September 2021 – 31 March 2022 in accordance with the Danish Financial Statements Act.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

## 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 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 additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can 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 taken on the basis of the financial statements.

## Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 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 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 note 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.

**Report on other legal and regulatory requirements**

**Non-compliance with the provisions of the Danish Financial Statements Act regarding submission of annual reports**

The Company has not observed the deadline for submission of the annual report for 2021/22.  
Management may incur liability in this respect.

Aalborg, 20 October 2022

**EY Godkendt Revisionspartnerselskab**



Hans B. Vistisen  
State Authorised  
Public Accountant  
mne23254

## **Management review**

### **Primary activities**

The object of the Company is to do business as an account information service-developer and -provider and any related activities.

### **Development in activities and finances**

Net loss for the 7 month period stands at DKK 35,239, equity at DKK 364,761 and total assets at DKK 394,761.

The company was not actively trading during this period and so financial results are as expected.

### **Event after the balance sheet date**

No event has occurred after the balance sheet date which could materially affect the financial position of the Company.



**Income statement****For the 7 month period ended 31 March 2022**

	<b>31 March 2022 7 months (DKK)</b>
<b>Gross loss</b>	<b>(30,000)</b>
Other financial expenses	(5,239)
<b>Loss before tax</b>	<b>(35,239)</b>
Tax expense for the period	-
<b>Loss for the period</b>	<b>(35,239)</b>

**PROPOSED DISTRIBUTION OF PROFIT AND LOSS**

	<b>31 March 2022 7 months (DKK)</b>
Retained earnings	(35,239)
<b>Total</b>	<b>(35,239)</b>

**Balance Sheet**

At 31 March 2022

	<b>31 March 2022 (DKK)</b>
<b>Cash at bank</b>	<b>394,761</b>
<b>Current assets</b>	<b>394,761</b>
<b>Assets</b>	<b>394,761</b>

**Equity and Liabilities**

Share capital	400,000
Retained earnings	(35,239)
<b>Equity</b>	<b>364,761</b>
Trade Payables	(30,000)
<b>Current liabilities other than provisions</b>	<b>(30,000)</b>
<b>Liabilities other than provisions</b>	<b>(30,000)</b>
<b>Equity and liabilities</b>	<b>(394,761)</b>

**Disclosures****Note reference**

Accounting policies	1
Staff cost	2
Contractual obligations and contingencies etc.	3

**Statement of Changes in Equity**

For the 7 month period ended 31 March 2022

	Share capital (DKK)	Retained earnings (DKK)	Total (DKK)
Cash payments concerning formation of enterprise	400,000	-	<b>400,000</b>
Proposed distribution of profit and loss	-	(35,239)	<b>(35,239)</b>
<b>Equity at 31 March 2022</b>	<b>400,000</b>	<b>(35,239)</b>	<b>364,761</b>

## Notes to the Financial Statements

### 1. ACCOUNTING POLICIES

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

#### **PRESENTATION CURRENCY**

The financial statements are presented in Danish Kroner (DKK).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency translation adjustments resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

#### **INCOME STATEMENT**

##### **GROSS PROFIT/LOSS**

Other external expenses are summarised in the income statement into gross profit, with reference to section 32 of the Danish Financial Statements Act.

##### **OTHER EXTERNAL COSTS**

Other costs include expenses relating to the Company's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs. This item also includes writedowns of receivables recognised in current assets.

##### **OTHER FINANCIAL EXPENSES**

Other financial expenses comprise interest expenses, foreign exchange losses on payables and transactions in foreign currencies upon settlement or re-measurement, amortisation of financial liabilities, as well as tax surcharge under the Danish Tax Prepayment Scheme.

##### **TAX ON LOSS FOR THE YEAR**

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date when they are included in the Group and up to the date when they are excluded from the Group.

The Company is not the administration company in respect of the joint taxation arrangement. On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

## Notes to the Financial Statements

### 1. ACCOUNTING POLICIES (continued)

#### **BALANCE SHEET**

##### **CASH AT BANK**

Cash at bank comprises cash in hand.

##### **EQUITY**

##### **Dividend**

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

##### **CORPORATION TAX AND DEFERRED TAX**

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

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax Company and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

##### **LIABILITIES OTHER THAN PROVISIONS**

Other liabilities are measured at net realisable value.

### 2. STAFF COST

The Company has no employees.

### 3. CONTRACTUAL OBLIGATIONS AND CONTINGENCIES ETC.

The Company is jointly taxed with its Danish group entities. The Company has unlimited joint and several liability, together with the group entities, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. Any subsequent corrections of income subject to joint taxation and withholding taxes etc., may entail that the entity's liability will increase. The Group as a whole is not liable to any third parties.