

Besigtelses Kontoret af 1914 A/S

Gammel Kongevej 60
1850 Frederiksberg C

Årsrapport
1. januar 2015 - 31. december 2015

Årsrapporten er fremlagt og godkendt på
selskabets ordinære generalforsamling den

13/05/2016

Anders Linde Reislev
Dirigent

Indhold**Virksomhedsoplysninger**

Virksomhedsoplysninger	3
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Påtegninger

Ledelsespåtegning	4
-------------------------	---

Erklæringer

Den uafhængige revisors erklæringer	5
---	---

Ledelsesberetning

Ledelsesberetning	7
-------------------------	---

Årsregnskab

Anvendt regnskabspraksis	8
--------------------------------	---

Resultatopgørelse	12
-------------------------	----

Balance	13
---------------	----

Egenkapitalopgørelse	15
----------------------------	----

Noter	16
-------------	----

Virksomhedsoplysninger

Virksomheden Besigtelses Kontoret af 1914 A/S
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 1850 Frederiksberg C

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 CVR-nr: 55262519
 Regnskabsår: 01/01/2015 - 31/12/2015

Revisor KPMG P/S
 Dampfærgevej 28
 København Ø
 DK Danmark

 CVR-nr: 25578198
 P-enhed: 1018974173

Ledespåtegning

Statement by Management

The Board of Directors and the Board of Management have today considered and approved the annual report of Besigtelses Kontoret af 1914 A/S for the financial year 1 January to 31 December 2015.

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 company's assets, liabilities and financial position at 31 December 2015 and of its financial performance for the financial year 1 January to 31 December 2015.

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

Frederiksberg, den 13/05/2016

Direktion

Henrik Nolsøe Dyrborg Uth

Bestyrelse

Richard James Turner
Chairman

Vagn Lehd Møller

Scott Ørmen

Den uafhængige revisors erklæringer

To the shareholder of Besigtelses Kontoret af 1914 A/S

Påtegning på årsregnskabet

We have audited the financial statements of Besigtelses Kontoret af 1914 A/S for the financial year 1. January 2015 - 31. December 2015, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Ledelsens ansvar for årsregnskabet

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.

Revisors ansvar

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Konklusion

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31. December 2015 and of its financial performance for the financial year 1. January 2015 - 31. December 2015, in accordance with the Danish Financial Statements Act.

Erklæringer i henhold til anden lovgivning og øvrig regulering

Udtalelse om ledelsesberetningen

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Frederiksberg, 13/05/2016

Anja Bjørnholt Lüthcke
Statsautoriseret revisor
KPMG P/S
CVR: 25578198

Mark Palmberg
Statsautoriseret revisor
KPMG P/S
CVR: 25578198

Ledelsesberetning

Main activities

The principal activity of Besigtelses Kontoret af 1914 A/S is to inspect and determine extent and causality of damage on ships, goods and other objects, and to carry out injury prevention tasks in relation to marine insurance.

Development in activities and economic conditions

Major events in 2015

In 2015 Besigtelses Kontoret af 1914 A/S continued its global strategy in order to offer increased support for marine insurance customers worldwide. In 2015 the main focus of the Company was to establish the 2014-founded subsidiary in Singapore and grow the client portfolio in Singapore. Key focus was also on replacing lost business from the Oil & Gas sector, as a result of the general market downturn, with that of business from offshore wind clients.

In 2015 the Company decided to contribute additional capital of SGD 4,981 thousand to Survey Association Ltd. for the purpose of safeguarding the subsidiary's financial resources at all times.

Result for the year

The results for Besigtelses Kontoret af 1914 A/S were a loss of DKK 3,920 thousand against a loss of DKK 163 thousand in 2014. The decrease in profit for the year is attributable to a decrease in revenue, primarily external, totaling DKK 24,069 thousand in 2015 against DKK 29,959 thousand in 2014. From 2015 and going forward some of the surveys are now provided by the Singapore based subsidiary Survey Association Ltd. and the subsidiary recognised revenue corresponding to DKK 4,415 thousand in 2015.

The Company's results were positively affected by exchange gains of 131 thousand against DKK 223 thousand in 2014. In addition the results were affected by profit of DKK 4 thousand generated by the subsidiary, while the subsidiary was inactive in 2014.

The result for the year is not in line with the outlook announced in the annual report for 2014 of maintaining satisfactory results for 2015.

The Company's equity is reduced by the result for 2015 and represents DKK 15,221 thousand by year-end.

Events after closing of the accounts

No events of material importance to the Company's financial position or business affairs have occurred subsequent to 31 December 2015.

Outlook for 2016

Management expects a positive result for 2016.

Anvendt regnskabspraksis

Årsrapporten er aflagt i overensstemmelse med årsregnskabslovens bestemmelser for Regnskabsklasse B.

The applied regulation is supplemented with regulation from Reporting class C.

The accounting policies remain unchanged from the annual report for 2014.

Recognition and measurement

On initial recognition, assets and liabilities are measured at fair value. However, intangible assets and property and equipment are measured at cost on initial recognition. Subsequent measurements are made as described for each individual item below. Measurement at amortised cost involves recognition of a constant effective interest rate over the life of the asset or liability. Amortised cost is calculated as the original cost less repayments and with addition/deduction of the accumulated amortisation of the difference between cost and the nominal amount. In this way, capital gains and losses are allocated over the life of the asset or liability.

Assets are recognised in the balance sheet when, due to an event occurring before or on the balance sheet date, it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably. Financial instruments are recognised in accordance with this principle, and the trade date is used as the date of recognition.

Liabilities are recognised in the balance sheet when, due to an event occurring before or on the balance sheet date, the company has a legal obligation, and when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

The recognition and measurement of assets and liabilities take into account information received after the balance sheet date but before the presentation of the annual report if such information proves or disproves circumstances prevailing on the balance sheet date.

Income is recognised in the income statement as earned. Expenses incurred to achieve the earnings for the year, including depreciation, amortisation, impairment losses and provisions, are recognised in the income statement. Adjustments resulting from changes in accounting estimates of items previously recognised in the income statement are also recognised in the income statement. Value adjustments of financial assets and liabilities which are measured at fair value are also recognised in the income statement, unless otherwise stated below.

Intra-group transactions

Business transactions between group companies are conducted on market-based conditions or on a cost-covering basis.

Foreign currency translation

The company's functional currency is DKK.

On initial recognition, foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of transaction. Exchange differences resulting from translation at the exchange rate prevailing at the date of transaction and the exchange rate prevailing at the date of payment

are recognised in the income statement as value adjustments.

Receivables, payables, other monetary items as well as non-monetary items recognised on the basis of the fair value in foreign currency are translated at the exchange rate prevailing at the balance sheet date. The difference between the exchange rate prevailing at the balance sheet date and the exchange rate prevailing at the time when such receivables or payables arose or were recognised in the latest annual report is recognised in the income statement as value adjustments.

Results of foreign subsidiaries are translated into the presentation currency (DKK) at the exchange rate prevailing at the date of transaction. An average exchange rate for the period is used as the exchange rate at the date of transaction to the extent that this does not significantly distort the presentation. The value of foreign subsidiaries is translated at the exchange rates prevailing at the balance sheet date. Currency translation differences are recognised directly in equity as part of the translation reserve. If the foreign entity is disposed of, any currency translation differences will be recognised in the income statement in connection with the disposal.

Revenue

Revenue from completed work is recognised in the income statement upon delivery and transfer of risk to the buyer. Revenue is recognized excluding VAT, taxes and discounts related to the sale and measured at fair value of the consideration determined.

Contract work in progress is recognized in revenue, as production is completed, so that revenue corresponds to the selling price of the work carried out in the financial year (the percentage of completion method).

Tax

Besigtelses Kontoret af 1914 A/S is taxed jointly with Codan A/S as well as the Danish subsidiaries of this company. Full allocation is made to all jointly taxed companies.

Tax for the year, consisting of current tax for the year, any change in deferred tax and adjustments relating to previous years, is recognised in the income statement with the proportion attributable to the profit for the year, and directly in equity with the proportion attributable to transactions recognised directly in equity.

The company is subject to the Danish tax prepayment scheme. Additions, deductions and allowances relating to tax payments are included in 'Interest income and dividends, etc.' and 'Interest expenses'. Tax payments are made to Codan A/S, which, according to the rules on joint taxation, acts as administration company.

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

Deferred tax liabilities are measured using the balance sheet liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, no provision is made for deferred tax on temporary differences arising from amortisation of goodwill disallowed for tax purposes and other items where such differences – except in connection with acquisitions – have arisen at the date of acquisition without having an impact on the financial results or the taxable income. In those cases where the tax base can be determined according to alternative taxation rules, deferred tax liabilities will be measured on the basis of the planned use of the asset and the settlement of the liability.

Deferred tax assets, including the tax base of tax losses that may be carried forward, are recognised in 'Current assets' at the value at which they are expected to be used, either through elimination of tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates which based on the legislation in

force at the balance sheet date, will apply when the deferred tax liability is expected to be settled or when the deferred tax asset is expected to be realised. Change in deferred tax resulting from changes in tax rates is recognised in the income statement with the proportion attributable to the profit for the year, and directly in equity with the proportion attributable to transactions recognised directly in equity.

Balance sheet

Assets

Investment in group enterprises

Investments in group enterprises are measured according to the equity method, which means that the value is equal to the proportion of equity in the entities which corresponds to the ownership interest and is calculated in accordance with the accounting policies applied by Besigtelses Kontoret af 1914 A/S.

The profit or loss of group enterprises is included in the parent company income statement for the same financial year. The profit or loss of group enterprises is transferred to the reserve for net revaluation according to the equity method under equity. This reserve may not be used for dividend or distribution. The reserve in the parent company is reduced by dividend payments from group enterprises.

Balance sheet

Contract work in progress

Contract work in progress is valued at the selling price of the work performed at the balance sheet date. The selling price is measured on the basis of the stage of completion and the total expected income from the contract work.

The stage of completion is calculated as the ratio between the resources spent and the total budgeted resources. For some projects where consumption of resources cannot be used as a basis, instead ratio of completed contract activities and the total activity for the individual project is used.

If the selling price of a contract cannot be measured reliably, the selling price is measured at cost or net realisable value, if this is lower.

Balance sheet

Receivables

Receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest method, which usually corresponds to the nominal value in respect of short-term non-interest-bearing receivables and floating rate receivables.

An estimated provision for expected losses is recognised in the income statement when there is a clear indication that the asset is impaired. The recognised provision is measured as the difference between the asset's carrying amount and a possible lower recoverable amount.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks as well as securities with a maturity of less than three months at the date of acquisition which are readily convertible into cash and which are subject to insignificant risks of changes in value.

Liabilities and equity

Equity

Contributed capital

Shares in Besigtelses kontoret af 1914 A/S are recognised at nominal value.

Reserve for net revaluation according to equity method

The reserve includes net revaluation of investments in Group entities according to the equity method.

Sundry reserve / Translation reserve

The translation reserve comprises exchange differences arising from the translation of the equity of foreign subsidiaries at the beginning of the year at the exchange rates prevailing at the balance sheet date and from the translation of income statements from the exchange rate prevailing at the date of transaction into the exchange rates prevailing at the balance sheet date.

Currency translation adjustments are recognised in the income statement if the foreign entity is dissolved or disposed of.

Proposed dividend

Proposed dividend is shown as a separate item under equity. Dividend distribution is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Payables and liabilities

Payables and financial liabilities are measured at amortised cost, which usually corresponds to the nominal value in respect of short-term non-interest-bearing receivables.

Resultatopgørelse 1. jan 2015 - 31. dec 2015

	Note	2015 kr.	2014 kr.
Nettoomsætning		24.069.303	29.958.751
Eksterne omkostninger	1	-29.238.114	-30.471.009
Bruttoresultat		-5.168.811	-512.258
Resultat af ordinær primær drift		-5.168.811	-512.258
Andre finansielle indtægter fra tilknyttede virksomheder		3.683	0
Andre finansielle indtægter	2	147.911	249.504
Øvrige finansielle omkostninger	3	-30.027	-31.042
Ordinært resultat før skat		-5.047.244	-293.796
Skat af årets resultat	4	1.126.843	131.161
Årets resultat		-3.920.401	-162.635
Forslag til resultatdisponering			
Reserve for nettoopskrivning efter indre værdis metode		3.683	0
Overført resultat		-3.924.084	-162.635
I alt		-3.920.401	-162.635

Balance 31. december 2015

Aktiver

	Note	2015 kr.	2014 kr.
Kapitalandele i tilknyttede virksomheder		4.834.037	4.628
Finansielle anlægsaktiver i alt	5	4.834.037	4.628
Anlægsaktiver i alt		4.834.037	4.628
Tilgodehavender fra salg og tjenesteydelser		3.339.835	1.090.779
Igangværende arbejder for fremmed regning		1.446.658	2.289.817
Tilgodehavender hos tilknyttede virksomheder		1.334.127	9.992.296
Tilgodehavende skat		1.063.135	311.104
Tilgodehavender i alt		7.183.755	13.683.996
Likvide beholdninger		15.239.269	5.511.043
Omsætningsaktiver i alt		22.423.024	19.195.039
Aktiver i alt		27.257.061	19.199.667

Balance 31. december 2015

Passiver

	Note	2015 kr.	2014 kr.
Registreret kapital mv.	6	500.000	500.000
Reserve for nettoopskrivning efter den indre værdis metode .		3.683	0
Øvrige reserver		223.654	21
Overført resultat		14.493.513	18.417.597
Egenkapital i alt		15.220.850	18.917.618
Gældsforpligtelser til tilknyttede virksomheder		12.024.932	4.628
Anden gæld, herunder skyldige skatter og skyldige bidrag til social sikring		11.279	277.421
Kortfristede gældsforpligtelser i alt		12.036.211	282.049
Gældsforpligtelser i alt		12.036.211	282.049
Passiver i alt		27.257.061	19.199.667

Egenkapitalopgørelse 1. jan 2015 - 31. dec 2015

	Registreret kapital mv. kr.	Reserve for nettoopskrivning efter indre værdis metode kr.	Øvrige reserver kr.	Overført resultat kr.	I alt kr.
Egenkapital, primo	500.000	0	21	18.417.597	18.917.618
Forhøjelse (nedsættelse) af finansielle anlægsaktiver som følge af valutakursreguleringer	0	0	223.633	0	223.633
Årets resultat	0	3.683	0	-3.924.084	-3.920.401
Egenkapital, ultimo	500.000	3.683	223.654	14.493.513	15.220.850

Noter

1. Eksterne omkostninger

	2015	2014
	DKK	DKK
Remuneration, statutory audit:		
KPMG	-26,250	-71,750
	<u>-26,250</u>	<u>-71,750</u>

All employees affiliated the company are engaged in Codan Forsikring A/S, which carries out all administration for the company.

2. Andre finansielle indtægter

	2015	2014
	DKK	DKK
Interest income form Group entities	1,227	17,777
Interest income from cash	11,843	9,053
Foreign exchange gains	130,802	222,674
Non taxable interest	4,039	0
	<u>147,911</u>	<u>249,504</u>

3. Øvrige finansielle omkostninger

	2015	2014
	DKK	DKK
Bank charges	-30,027	-29,497
Other interest expenses non-tax deductible	0	-1,545
	<u>-30,027</u>	<u>-31,042</u>

4. Skat af årets resultat

	2015	2014
	DKK	DKK
Current tax	1,063,135	76,736
Prior year adjustments	63,708	54,425
	<u>1,126,843</u>	<u>131,161</u>

5. Finansielle anlægsaktiver i alt

	Investments in group enterprises 2015 DKK	Investments in group enterprises 2014 DKK
Cost, beginning of year	4,607	0
Increase	4,980,914	4,607
Cost, end of year	4,985,521	4,607
Net revaluations, beginning of year	21	0
Currency translation adjustment	-155,188	21
Share of profit (loss), see disclosure	3,683	0
Net revaluations, end of year	-151,484	21
Carrying value, end of year	4,834,037	4,628

Investments in group enterprises include:

Name, legal form and homeplace	Ownership	Equity	Profit (loss)
Survey Association Ltd., Singapore (SGD)	100%	1,000,753	753

Result and equity as stated above are in accordance with the latest Annual Report.

6. Registreret kapital mv.

Share capital consists of 500 shares of DKK 1,000. Shares are not divided into classes. There have been no changes in the share capital during the past 5 years. No shares carry special rights.

7. Oplysning om eventualforpligtelser

The company is jointly registered with the majority of the Codan Group's Danish companies for the purpose of payment of VAT and payroll tax and is jointly severally liable for the payment of such taxes.

The Company is jointly and severally liable together with other companies participating in the joint taxation for any dividend tax and royalties imposed within the joint taxation payable by 1. July 2012 or later.

Likewise, the company is jointly and severally liable together with other companies participating in the joint taxation for any company tax imposed within the joint taxation from and including the income year 2013.

8. Oplysning om ejerskab

Ownership

Codan Forsikring A/S, Gammel Kongevej 60, 1850 Frederiksberg C, owns all of the shares in Besigtelses Kontoret af 1914 A/S.

Group relations

RSA Insurance Group plc, 20 Fenchurch Street, London, England, prepares consolidated financial statements, in which Besigtelses Kontoret af 1914 A/S is included as a subsidiary.