A.T. Kearney Denmark A/S

Sankt Annæ Plads 13
1250 Copenhagen

CVR no. 65 26 23 12

Annual report 2018

The annual report was presented and approved at the Company's annual general meeting on

25 June 2019

chairman

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of A.T. Kearney Denmark A/S for the financial year 1 January – 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2018.

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

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

Copenhagen 25 June 2019
Executive Board:

Lars Krohn Røst
CEO

Board of Directors:

Gotfred Severin Berntsen Chairman	James Frederick Dyall	Geir Olsen

Independent auditor's report

To the shareholders of A.T. Kearney Denmark A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of A.T. Kearney Denmark A/S for the financial year 1 January – 31 December 2018 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 consolidated financial statements and the parent company financial statements" section of our report. We are independent of the Group 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 rules and 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 consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these consolidated financial statements and parent company financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the 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 consolidated financial statements and parent company 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Independent auditor's report

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 consolidated financial statements and the parent company 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.

Copenhagen, 25 June 2019
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

Management's review

Company details

A.T. Kearney Denmark A/S
Sankt Annæ Plads 13
1250 Copenhagen

CVR no.:	65 26 23 12
Financial year:	1 January – 31 December

Board of Directors

Gotfred Severin Berntsen, Chairman
James Frederick Dyall
Geir Olsen

Executive Board

Lars Krohn Røst, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Management's review

Financial highlights for the Group

DKK'000	2018	2017
Key figures		
Gross profit/loss	31,080	41,681
Ordinary operating profit/loss	-4,729	2,977
Profit/loss from financial income and expenses	636	44
Profit/loss for the year	-4,093	3,225
Total assets	99,544	93,602
Equity	48,621	49,745
Ratios		
Return on equity	-8.32%	6.48%
Solvency ratio	48.84%	53.15%

Financial ratios are calculated in accordance with the guidelines "Recomendations & Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

Return on equity	$\frac{\text{Profit/loss from ordinary activities after tax x 100}}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$

Management's review

Operating review

The Company's principal activities

The main acitivity of A.T. Kearney Denmark A/S is to hold shares in the subsidiary, A.T. Kearney P/S.

Development in activities and financial position

The Company realised a loss for the year of DKK 4,093 thousand in 2018 (2017: profit of DKK 3,225 thousand). The loss for the year is considered not satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date that may affect the assessment of the Company's financial posistion at 31 December 2018 and the results for the year.

Outlook

With 2018 well behind us, our pipeline is slightly weaker than same time previous year. We expect a revenue and a result in line with 2018.

Particular risks

The Company is, like most companies, exposed to a sudden downturn in the market. We believe the risk to be manageable.

The Company does not make use of financial instruments such as financial derivatives.

The Company participate in a global cash pooling system why we believe a liquidity/cash flow risk to be minimal. Historically the Company has not suffered losses on its receivables why this risk is considered very low. Intercompany receivables are secured thru the firm's global netting system.

Intellectual capital

Our employees contribute to the financial success or our global network through their teamwork and collaboration to serve our clients worldwide. The rich, diverse backgrounds of our consultants have a direct impact on what our teams accomplish every day - a dynamic that has defined our culture for more than 90 years. Training is a crucial component of the continued development of our employees and their career advancement. All employees will attend training programs where they learn essential concepts and methodologies that are crucial to management consulting.

Environmental matters

The working environment is assessed as satisfactory. Absence due to illness was insignificant.

The activities of the Company do not pollute the environment. The Company is an integrated part of the A.T. Kearney corporation which is carbon neutral.

Research and development activities

No R&D activities (as such) are undertaken by the Company on local basis.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Income statement

		Group		Parent Company	
DKK'000	Note	2018	2017	2018	2017
Gross loss		31,080	41,681	-27	-43
Staff costs	2	-35,289	-38,137	0	0
Depreciation, amortisation and impairment		-520	-567	0	0
Operating loss		-4,729	2,977	-27	-43
Financial income	3	810	76	0	10
Financial expenses		-174	-32	-19	-6
Loss before tax		-4,093	3,021	-46	-39
Tax on profit/loss for the year	4	0	204	0	204
Share of loss for the year	5	-4,093	3,225	-46	165

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

		Group		Parent Company	
DKK'000	Note	2018	2017	2018	2017
ASSETS					
Fixed assets					
Property, plant and equipment	6				
Fixtures and fittings, tools and equipment		1,162	1,584	0	0
Leasehold improvements		0	18	0	0
		1,162	1,602	0	0
Investments	7				
Equity investments in group entities		0	0	1,850	1,700
Deposits		1,536	875	0	0
		1,536	875	1,850	1,700
Total fixed assets		2,698	2,477	1,850	1,700
Current assets					
Receivables					
Trade receivables		21,040	19,747	0	0
Receivables from group entities		0	0	38,751	38,751
Receivables from associates		38,423	58,136	0	0
Work in progress	8	34,672	7,083	0	0
Other receivables		131	804	0	0
Deferred tax asset		1,000	1,000	1,000	1,000
Corporation tax		1,175	1,175	1,175	1,175
Prepayments		80	233	0	0
		96,521	88,178	40,926	40,926
Cash at bank and in hand		325	2,947	170	353
Total current assets		96,846	91,125	41,096	41,279
TOTAL ASSETS		99,544	93,602	42,946	42,979

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

		Group		Parent Company	
DKK'000	Note	2018	2017	2018	2017
EQUITY AND LIABILITIES					
Equity					
Contributed capital		1,600	1,600	1,600	1,600
Retained earnings		47,021	48,145	40,065	40,111
Total equity		48,621	49,745	41,665	41,711
Non-controlling interests					
Non-controlling interests		714	1,718	0	0
Provisions					
Other provisions		659	659	0	0
Total provisions		659	659	0	0
Liabilities other than provisions					
Current liabilities other than provisions					
Prepayments received from customers	8	2,234	989	0	0
Trade payables		1,245	602	0	0
Payables to group entities		24,224	10,103	1,280	1,243
Other payables		21,847	29,786	1	25
		49,550	41,480	1,281	1,268
Total liabilities other than provisions		49,550	41,480	1,281	1,268
TOTAL EQUITY AND LIABILITIES		99,544	93,602	42,946	42,979
Significant management estimates and judgements	9				
Contractual obligations, contingencies, etc.	10				
Related party disclosures	11				

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

	Group			
DKK'000	Contributed capital	Retained earnings	Total	Non-controlling interests
Equity at 1 January 2018	1,600	48,145	49,745	1,718
Net effect from change of accounting policy	0	1,957	1,957	158
Adjustment of non-controlling interests	0	709	709	-859
Transferred over the distribution of loss	0	-3,790	-3,790	-303
Equity at 31 December 2018	1,600	47,021	48,621	714

	Parent Company		
DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2018	1,600	40,111	41,711
Transferred over the distribution of loss	0	-46	-46
Equity at 31 December 2018	1,600	40,065	41,665

Consolidated financial statements and parent company financial statements 1 January – 31 December

Cash flow statement

		Group	
DKK'000	Note	2018	2017
Loss for the year		-4,093	3,225
Other adjustments of non-cash operating items	12	1,329	-8,134
Depreciation, amortisation and impairment losses		475	567
Cash flows from operations before changes in working capital		-2,289	-4,342
Changes in working capital	13	-273	5,344
Cash flows from ordinary activities		-2,562	1,002
Interest income		810	76
Interest expense		-174	-32
Cash flows from operating activities		-1,926	1,046
Acquisition of property, plant and equipment		-81	-205
Disposal of property, plant and equipment		46	0
Addition of deposits		-661	0
Cash flows from investing activities		-696	-205
Cash flows for the year		-2,622	841
Cash and cash equivalents at the beginning of the year		2,947	2,106
Cash and cash equivalents at year end		325	2,947

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of A.T. Kearney Denmark A/S for 2018 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

Change in accounting policies

With effect from 1 January 2018, the Company has chosen to rely on IFRS 15 Revenue from contracts with customers as the basis of interpretation when recognising revenue.

In contrast to the previous bases of interpretation contained in IAS 11/18, IFRS 15 contains one overall and comprehensive model for the recognition of revenue. The fundamental principle in IFRS 15 is that the Company is to recognise revenue so it reflects goods or services provided to customers at the amounts to which the Company is expected to be entitled for the provision of these goods or services.

The effect for the Company of using IFRS 15 as the basis of interpretation is that:

- variable consideration from contracts on which the customer's price may vary if a number of conditions are complied with after performance of the contract is to be recognised as revenue if it is highly likely that changes in estimated variable consideration do not have the outcome that an important part of the amount is to be reversed and thereby will reduce revenue. Accordingly, the Group is to recognise the most probable value of the variable consideration in revenue.
- a number of contracts contains several performance obligations to which the transaction price is to be allocated.

The Company has relied on the following transitional provisions:

- IFRS 15 has been applied following the cumulative effect method with any cumulative effects recognised in equity as of 1 January 2018 and with no restatement of comparative figures.

The monetary effect of relying on IFRS 15 as the basis of interpretation made up DKK 2,115 thousand in 2018 specified as follows:

	Group		Parent Company	
DKK'000	2018	2017	2018	2017
Effect on:				
Total assets	2,115	0	0	0
Equity	2,115	0	0	0

Apart from the above, the accounting policies used in the preparation of the consolidated financial statements and the parent company financial statements are consistent with those of last year.

Change in accounting class

The annual report of A.T. Kearney Denmark A/S for 2018 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act. The transition compared to the previous financial year from the provisions applying to reporting class B entities under the Danish Financial Statements Act has not resulted in changes to recognition and measurement.

Consolidated financial statements and parent company financial statements 1 January – 31 December

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1 Accounting policies (continued)

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, A.T. Kearney Denmark A/S, and subsidiaries in which A.T. Kearney Denmark A/S directly or indirectly holds more than 50% of the votes or in some other way exercises control over.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue comprises fee income from consultancy services, which is recognised in accordance with the percentage of completion method less other external costs comprising costs related to sales, promotion, administration, premises, operating leases, etc.

Other income

Other income relates to rechargeable administrative services and costs other than consultancy services to other A.T. Kearney companies and gain on sale of assets.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other external costs

Other external costs comprise costs of consultants from other A.T. Kearney companies, marketing expenses, insurance costs, rent, proposal costs, administrative costs, other external costs and loss on sale of assets.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies.

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax 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 used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Leasehold improvements and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Fixtures and fittings, tools and equipment	2-8 years
Leasehold improvements	5 years

Depreciation is recognised in the income statement under depreciation, amortisation and impairment losses.

Property, plant and equipment are written down to the recoverable amount if this is lower than the carrying amount.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Impairment of fixed assets

The residual value of plant and equipment is reassessed on an ongoing basis. Any adjustments to residual values are made prospectively as an accounting estimate without restatement of comparative figures and without effect on equity.

Equity investments in group entities

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Deposits

Deposits relate to the Company's leases and are measured at the lower of cost or recoverable amount.

Consolidated financial statements and parent company financial statements 1 January – 31 December

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1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Work in progress

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

Individual contract work in progress is recognised in the balance sheet under receivables or payables depending on the net amount of the selling price less progress billings and prepayments as contract work in progress and prepayments received from customers, respectively.

Selling costs and costs incurred in securing contracts are recognised in the income statement when incurred.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Non-controlling interests

Items of subsidiaries are fully recognised in the consolidated financial statements. The non-controlling interests' proportionate share of the subsidiaries' profit and of equity is included as part of the Group's profit and equity, respectively, but is presented separately.

Consolidated financial statements and parent company financial statements 1 January – 31 December

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1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

2 Staff costs

	Group		Parent Company	
DKK'000	2018	2017	2018	2017
Wages and salaries	31,838	34,878	0	0
Pensions	2,210	2,095	0	0
Other social security costs	490	271	0	0
Other staff costs	751	893	0	0
	35,289	38,137	0	0
Average number of full-time employees	24	22	0	0

In the financial year, the Management Board consists of only one member, therefore information about the Management's remuneration is discharged pursuant to section 98b of the Danish Financial Statements Act. No remuneration has been paid to the Board during the financial year.

	Group		Parent Company	
DKK'000	2018	2017	2018	2017
3 Financial income				
Interest income from group entities	80	66	0	0
Exchange gains	730	10	0	10
	810	76	0	10
4 Tax on profit/loss for the year				
Adjustment of tax concerning previous years	0	204	0	0
	0	204	0	0

Consolidated financial statements and parent company financial statements 1 January – 31 December

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5 Proposed profit appropriation/distribution of profit/loss

	Group		Parent Company	
DKK'000	2018	2017	2018	2017
Retained earnings	-4,093	3,225	-46	165
	-4,093	3,225	-46	165

6 Property, plant and equipment

	Group		
DKK'000	Fixtures and fittings, tools and equipment	Leasehold improve-ments	Total
Cost at 1 January 2018	4,196	593	4,789
Additions for the year	81	0	81
Disposals for the year	-874	0	-874
Cost at 31 December 2018	3,403	593	3,996
Depreciation and impairment losses at 1 January 2018	-2,612	-575	-3,187
Depreciation for the year	-457	-18	-475
Reversed depreciation on assets dispossed	828	0	828
Depreciation and impairment losses at 31 December 2018	-2,241	-593	-2,834
Carrying amount at 31 December 2018	1,162	0	1,162

Consolidated financial statements and parent company financial statements 1 January – 31 December

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7 Investments

DKK'000	Parent Investments in associates
Cost at 1 January 2018	1,700
Additions for the year	150
Cost at 31 December 2018	1,850
Carrying amount at 31 December 2018	1,850

Name	Registered office	Voting rights and ownership interest
A.T. Kearney P/S	Denmark	92,5%

8 Work in progress

	Group		Parent Company	
DKK'000	2018	2017	2018	2017
Contract work in progress	140,357	46,695	0	0
Work in progress, payments received on account	-107,919	-40,601	0	0
	32,438	6,094	0	0
recognized as follows:				
Contract work in progress recognized in assets	34,672	7,083	0	0
Prepayments received recognized in debt	-2,234	-989	0	0
	32,438	6,094	0	0

Consolidated financial statements and parent company financial statements 1 January – 31 December

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9 Significant management estimates and judgements

In preparing the financial statements, Management has made a number of estimates and judgements when determining the carrying amount of certain assets and liabilities. The most significant management estimates and judgements relate to:

— Determination of the stage of completion of projects in progress is based on Management's estimates and judgements of residual costs.

Management makes its estimates based on experience and other assumptions which are considered relevant at the balance sheet date. The actual results may deviate from these estimates over time, and the deviations may be significant.

10 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT. The jointly taxed entities' total net liability to SKAT amounted to DKK 0 thousand at 31 December 2018. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

The Group's Danish entities are jointly and severally liable for the joint registration concerning VAT.

Operating lease obligations

The Group's rent liabillities and residual lease payments on leased office equipment which fall due within five years amount to DKK 1,435 thousand (31 December 2017: 1,453 thousand), of which DKK 1,390 thousand (31 December 2017: 1,378 thousand) falls due within a year.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

11 Related party disclosures

Other related parties

A.T. Kearney AS, Norway holds the majority of the share capital in the Company.

The ulitimate parent company is A.T. Kearney Holdings Limited, UK.

Related party transactions

	Group	Parent Company
DKK'000	2018	2018
Sale of services to related parties	16,498	0
Purchase of services from related parties	113,873	0
	130,371	0

Remuneration to the Parent Company's Executive Board and Board of Directors is disclosed in note 2.

Payables to associates and subsidiaries are disclosed in the balance sheet, and interests is disclosed in note 3.

Ownership

The Company is included in the consolidated financial statements of the ultimate parent company, A.T. Kearney Holdings Limited, UK. The consolidated financial statements of the ultimate parent company can be obtained thoung Companies House, UK.

12 Other adjustments

	Group	
DKK'000	2018	2017
Other financial income	801	76
Financial expenses	-174	-32
Provisions	0	8,090
Change in accounting policies	-1,956	0
	-1,329	8,134

13 Change in working capital

Change in receivables	-8,343	-23,270
Change in trade and other payables	8,070	28,614
	-273	5,344