

Report of the Directors and
Financial Statements for the Year Ended 31 December 2022
for
Gavdi UK Limited

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for the Year Ended 31 December 2022

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DIRECTORS:

J Bruun
S Koppelhus

REGISTERED OFFICE:

Adam House
7-10 Adam Street
London
WC2N 6AA

REGISTERED NUMBER:

07455508 (England and Wales)

AUDITORS:

Krogh & Partners Limited, (Statutory Auditor)
823 Salisbury House
29 Finsbury Circus
London
EC2M 5QQ

Report of the Directors
for the Year Ended 31 December 2022

The Directors present their report and financial statements for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company is that of providing consultancy services within Human Capital Management, Technology services and Solutions for companies using SAP® and SuccessFactors as a foundation of their IT strategy.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

J Bruun
S Koppelhus

RESULTS

The Company's loss for the year amounted to GBP (86,370).

POST BALANCE SHEET EVENTS

No post balance sheet events have occurred since 31 December 2022 which requires reporting or disclosing in the accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

The directors of the company who held office at the date of approval of this Annual Report as set out beneath confirm that:

- So far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Krogh & Partners Limited, Chartered Accountants & Registered Auditors have signified their willingness to continue in office. A resolution to re-appoint them will be proposed at the Annual General Meeting.

Gavdi UK Limited (Registered number: 07455508)

Report of the Directors
for the Year Ended 31 December 2022

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

J Bruun - Director

27 March 2023

Opinion

We have audited the financial statements of Gavdi UK Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 (UK) 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 these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge of the business;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, and anti-bribery;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Lindegaard (Senior Statutory Auditor)
for and on behalf of Krogh & Partners Limited, (Statutory Auditor)
823 Salisbury House
29 Finsbury Circus
London
EC2M 5QQ

27 March 2023

Income Statement
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
TURNOVER		1,460,393	1,862,296
Cost of sales		<u>1,152,484</u>	<u>1,262,992</u>
GROSS PROFIT		307,909	599,304
Administrative expenses		<u>425,929</u>	<u>456,309</u>
OPERATING (LOSS)/PROFIT	5	(118,020)	142,995
Interest receivable and similar income	6	<u>11,407</u>	<u>13,800</u>
		(106,613)	156,795
Interest payable and similar expenses		<u>-</u>	<u>1,530</u>
(LOSS)/PROFIT BEFORE TAXATION		(106,613)	155,265
Tax on (loss)/profit	7	<u>(20,243)</u>	<u>29,500</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(86,370)</u>	<u>125,765</u>

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
(LOSS)/PROFIT FOR THE YEAR		(86,370)	125,765
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(86,370)</u>	<u>125,765</u>

Balance Sheet
31 December 2022

	Notes	2022 £	2021 £
CURRENT ASSETS			
Debtors	8	477,395	696,350
Cash at bank		<u>504,545</u>	<u>605,937</u>
		981,940	1,302,287
CREDITORS			
Amounts falling due within one year	9	<u>955,787</u>	<u>1,044,764</u>
NET CURRENT ASSETS		<u>26,153</u>	<u>257,523</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,153</u>	<u>257,523</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Retained earnings	11	<u>26,053</u>	<u>257,423</u>
SHAREHOLDERS' FUNDS		<u>26,153</u>	<u>257,523</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2023 and were signed on its behalf by:

J Bruun - Director

S Koppelhus - Director

Statement of Changes in Equity
for the Year Ended 31 December 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	100	281,658	281,758
Changes in equity			
Dividends	-	(150,000)	(150,000)
Total comprehensive income	-	125,765	125,765
Balance at 31 December 2021	100	257,423	257,523
Changes in equity			
Dividends	-	(145,000)	(145,000)
Total comprehensive income	-	(86,370)	(86,370)
Balance at 31 December 2022	100	26,053	26,153

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

Gavdi UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover from the sale of services is recognised in the income statement when delivery is made to the buyer. Turnover is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Income from contracts involving a high degree of customisation is recognised as turnover by reference to the stage of completion. Accordingly, turnover corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where income from a contract cannot be estimated reliably, contract turnover corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Licence income is recognised over the term of the agreement in accordance with the contents of the agreement.

Turnover from time limited software licences is accrued and recognised on a straight line basis over the term of the licence according to the terms of the licence agreement.

Turnover is measured net of all types of discounts/rebates granted. Also, turnover is measured net of VAT and other indirect taxes charged on behalf of third parties.

Contract work in progress is included in turnover based on the stage of completion so that turnover corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Interest and similar income and charges

Interest and similar income and charges are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

Debtors

Debtors are valued individually and there are made provision according to this valuation.

Creditors

Creditors are carried at payment or settlement amounts. Where the time value of money is material, creditors are carried at amortized cost.

Taxation

Current tax and deferred taxation, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on an undiscounted basis, on all timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised where it is considered more likely than not that future profits will be available for offset.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 5 (2021 - 6) .

4. **DIRECTORS' EMOLUMENTS**

	2022	2021
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

5. **OPERATING (LOSS)/PROFIT**

The operating loss (2021 - operating profit) is stated after charging:

	2022	2021
	£	£
Auditor's remuneration	<u>5,000</u>	<u>5,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

6. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	2022	2021
	£	£
Exchange rate gain	2,011	-
Bank interest	79	-
Intercompany interests	9,317	13,800
	<u>11,407</u>	<u>13,800</u>

7. **TAXATION**

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	(20,243)	29,500
Tax on (loss)/profit	<u>(20,243)</u>	<u>29,500</u>

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade debtors	56,670	119,548
Amounts owed by group companies	369,125	551,571
Work in progress	3,164	-
Other debtors	340	2,706
Tax	20,243	-
Prepayments	27,853	22,525
	<u>477,395</u>	<u>696,350</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Work in progress	60,601	171,192
Trade creditors	11,978	1,138
Amounts owed to group undertakings	50,425	65,858
Tax	-	29,500
Social security and other taxes	12,061	35,687
VAT	89,339	116,276
Accruals	731,383	625,113
	<u>955,787</u>	<u>1,044,764</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2022 £	2021 £
Number:	Class:			
100	Ordinary	1	<u>100</u>	<u>100</u>

11. **RESERVES**

	Retained earnings £
At 1 January 2022	257,423
Deficit for the year	(86,370)
Dividends	<u>(145,000)</u>
At 31 December 2022	<u>26,053</u>

12. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

13. **PARENT UNDERTAKINGS AND RELATED PARTIES**

Gavdi Group A/S, incorporated in Denmark, is the immediate parent of the largest and smallest group of which the company is a member and for which group accounts are drawn up.

Gavdi Group A/S prepares group financial statements and copies can be obtained from:

Erhvervsstyrelsen
 Langelinie Alle 17
 DK-2100 Copenhagen O
 Denmark

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.