

Grant Compass

Årsrapport 2020

Grant Compass A/S
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CVR: 37324051



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Entity details

Entity

Grant Compass A/S

H.C. Andersens Boulevard 51, 2. th..

1553 Copenhagen V

CVR No.: 37324051

Registered office: Copenhagen V

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Jacob Balslev Meldgaard, Chairman

Søren Grønborg Thorsen

Jesper Wangenstein Lindhardt

Michael Hansen

Lars Andersen

Executive Board

Anders Krenk Aagaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Grant Compass A/S for the financial year 01.01.2020 - 31.12.2020.

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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 17.05.2021

Executive Board

Anders Krenk Aagaard

Board of Directors

Jacob Balslev Meldgaard
Chairman

Søren Grønborg Thorsen

Jesper Wangenstein Lindhardt

Michael Hansen

Lars Andersen

Independent auditor's report

To the shareholders of Grant Compass A/S

Opinion

We have audited the financial statements of Grant Compass A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 the 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 these financial statements.

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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 17.05.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Juul Hansen

State Authorised Public Accountant
Identification No (MNE) mne44386

Management commentary

Primary activities

The Company's primary activity is to operate a search engine that provides students and researchers, associations and public bodies with easy access to information about funds, grants and public funds, as well as other activities that are related to this in the Board's discretion.

Development in activities and finances

The loss of the year is DKK (3,039) thousand against DKK (538) thousand last year. The management consider the results is in line with their expectation. Total assets amounts to DKK 30,140 thousand and equity is DKK 17,573 thousand.

The company has accomplished a significant capital injection in 2020. The capital injection will ensure both the capital structure of the company and secure cash flow needs for the remainder of 2021.

Grant Compass' mission is to make it easier to make grants

In 2020, more than 250,000 grant seekers and more than 650 foundations used our digital solutions. We are proud to help researchers, students, aid organizations, kindergartens, the public sector and many other change makers find funding so that their projects can become a reality.

28 mio. DKK in financing

In August 2020, we raised DKK 28 million in financing from SEED Capital, Vækstfonden and North-East Family Office for growth and further development of our grant management system. Now we are in a situation where it is easy for the foundations to see that we have the platform and capital to be their digital partner also in the long run. This is the position we would like to have, as in this way, we contribute in the best possible way so that the foundations can continue to make a difference in their local communities and for their specific purposes.

End-to-end grant management system

In December 2020, we completed the last major building block in our grant management system: deep integration with the foundations bank. Now our customers can transfer grants directly to scholarship recipients from the system. Thus, we handle the entire process from publishing areas of support, to receiving applications, selecting beneficiaries and transferring grants.

Our customers love our product

Our focus on usability and security has been the right decision. When we present Grant Compass' fund management system to funds, 9 out of 10 decide to become customers. Many law firms have chosen us as the system provider for all the foundations they manage. We have 100% customer satisfaction and not a single customer has ever left us. We are proud of the success and expect to increase our market leader position in 2021.

Outlook

What has happened in 2021?

Low cost asset management

In 2018, we became aware of the biggest problem of small and medium-sized funds: a toxic cocktail of high bank fees and poor returns threatens their existence. We have set out to stop the negative development with a new, user-friendly solution. This is digital asset management, which is based on the foundations having the largest

possible amount to donate - and it must be transparent for the funds to follow their investments, costs and returns.

Passive management ensures savings of 25-50%

Our investment team has advised more than 300 funds on asset management, including some of the largest funds in Denmark. This is the knowledge and experience we use to advise the small and medium-sized funds. Unlike the banks' expensive actively managed products, Grant Compass' investment solution is composed of passively managed products, and this can ensure savings of between 25-50 percent of the investment costs.

Strategic collaboration with Nykredit

We have entered into a strategic partnership with Nykredit, which provides accounts, infrastructure and compliance with the rules for placing the fund's assets. Grant Compass is the fund's investment advisor, and prepares the funds' investment strategy, and ensures that the fund receives good prices from Nykredit. In this connection, Grant Compass has received an investment adviser license and is now regulated by the Danish Financial Supervisory Authority.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		(87,953)	433,861
Staff costs	1	(1,242,706)	(391,433)
Depreciation, amortisation and impairment losses	2	(2,629,044)	(676,726)
Operating profit/loss		(3,959,703)	(634,298)
Other financial income		579	0
Other financial expenses	3	(378,250)	(57,026)
Profit/loss before tax		(4,337,374)	(691,324)
Tax on profit/loss for the year	4	1,298,579	153,769
Profit/loss for the year		(3,038,795)	(537,555)
Proposed distribution of profit and loss			
Retained earnings		(3,038,795)	(537,555)
Proposed distribution of profit and loss		(3,038,795)	(537,555)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Completed development projects	6	6,213,389	3,652,635
Acquired intangible assets		186,667	0
Acquired rights		0	6,250
Development projects in progress	6	1,076,772	1,303,600
Intangible assets	5	7,476,828	4,962,485
Other fixtures and fittings, tools and equipment		76,268	36,120
Property, plant and equipment	7	76,268	36,120
Deposits		451,613	100,000
Financial assets	8	451,613	100,000
Fixed assets		8,004,709	5,098,605
Trade receivables		154,941	0
Receivables from group enterprises		0	28,973
Other receivables		330,627	31,090
Income tax receivable		1,082,864	427,680
Prepayments		92,565	31,940
Receivables		1,660,997	519,683
Cash		20,474,104	278,352
Current assets		22,135,101	798,035
Assets		30,139,810	5,896,640

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		885,123	557,498
Reserve for development expenditure		5,686,326	3,865,864
Retained earnings		11,001,277	(1,971,778)
Equity		17,572,726	2,451,584
Deferred tax		874,231	1,089,946
Provisions		874,231	1,089,946
Bank loans		9,929,279	0
Other payables		266,687	62,741
Non-current liabilities other than provisions	9	10,195,966	62,741
Prepayments received from customers		87,441	0
Trade payables		67,500	52,000
Payables to shareholders and management		0	537
Other payables		1,269,962	2,239,832
Deferred income		71,984	0
Current liabilities other than provisions		1,496,887	2,292,369
Liabilities other than provisions		11,692,853	2,355,110
Equity and liabilities		30,139,810	5,896,640

Unrecognised rental and lease commitments

10

Statement of changes in equity for 2020

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	557,498	0	3,865,864	(1,971,778)	2,451,584
Increase of capital	327,625	17,892,312	0	0	18,219,937
Transferred from share premium	0	(17,892,312)	0	17,892,312	0
Costs related to equity transactions	0	0	0	(60,000)	(60,000)
Transfer to reserves	0	0	1,820,462	(1,820,462)	0
Profit/loss for the year	0	0	0	(3,038,795)	(3,038,795)
Equity end of year	885,123	0	5,686,326	11,001,277	17,572,726

Notes

1 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	4,877,465	1,923,038
Other social security costs	34,141	31,395
	4,911,606	1,954,433
Staff costs classified as assets	(3,668,900)	(1,563,000)
	1,242,706	391,433
Average number of full-time employees	11	5

2 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Amortisation of intangible assets	2,359,722	671,636
Impairment losses on intangible assets	248,044	0
Depreciation of property, plant and equipment	21,278	5,090
	2,629,044	676,726

3 Other financial expenses

	2020 DKK	2019 DKK
Other interest expenses	378,250	57,026
	378,250	57,026

4 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	(1,082,864)	(427,677)
Change in deferred tax	(215,715)	273,908
	(1,298,579)	(153,769)

5 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Acquired rights DKK	Development projects in progress DKK
Cost beginning of year	4,959,400	0	31,250	1,303,600
Transfers	2,136,670	0	0	(2,136,670)
Additions	3,012,267	200,000	0	1,909,842
Cost end of year	10,108,337	200,000	31,250	1,076,772
Amortisation and impairment losses beginning of year	(1,306,765)	0	(25,000)	0
Impairment losses for the year	(248,044)	0	0	0
Amortisation for the year	(2,340,139)	(13,333)	(6,250)	0
Amortisation and impairment losses end of year	(3,894,948)	(13,333)	(31,250)	0
Carrying amount end of year	6,213,389	186,667	0	1,076,772

6 Development projects

Development projects include the development of the platform. The development project essentially consists of costs in the form of direct salaries and other costs, which are registered through the company's internal project module.

The carrying amount is 7,290k DKK the 31.12.2020. The platform is expected to bring significant competitive advantages and thus a significant increase in the level of activity and profit for the company.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	41,210
Additions	61,438
Cost end of year	102,648
Depreciation and impairment losses beginning of year	(5,102)
Depreciation for the year	(21,278)
Depreciation and impairment losses end of year	(26,380)
Carrying amount end of year	76,268

8 Financial assets

	Deposits DKK
Cost beginning of year	100,000
Additions	351,613
Cost end of year	451,613
Carrying amount end of year	451,613

9 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK	Outstanding after 5 years 2020 DKK
Bank loans	9,929,279	3,622,981
Other payables	266,687	266,687
	10,195,966	3,889,668

10 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	161,700	108,000

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Changes in accounting estimates

Applied accounting estimates have been changed for the depreciation period on development projects from 7 years to 5 years. The change in accounting estimates is due to management assessment that development projects have a shorter lifetime and therefore a change in accounting estimates have been implemented. This has no result in the comparison period.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

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

Other external expenses

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

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights and acquired intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 5 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.