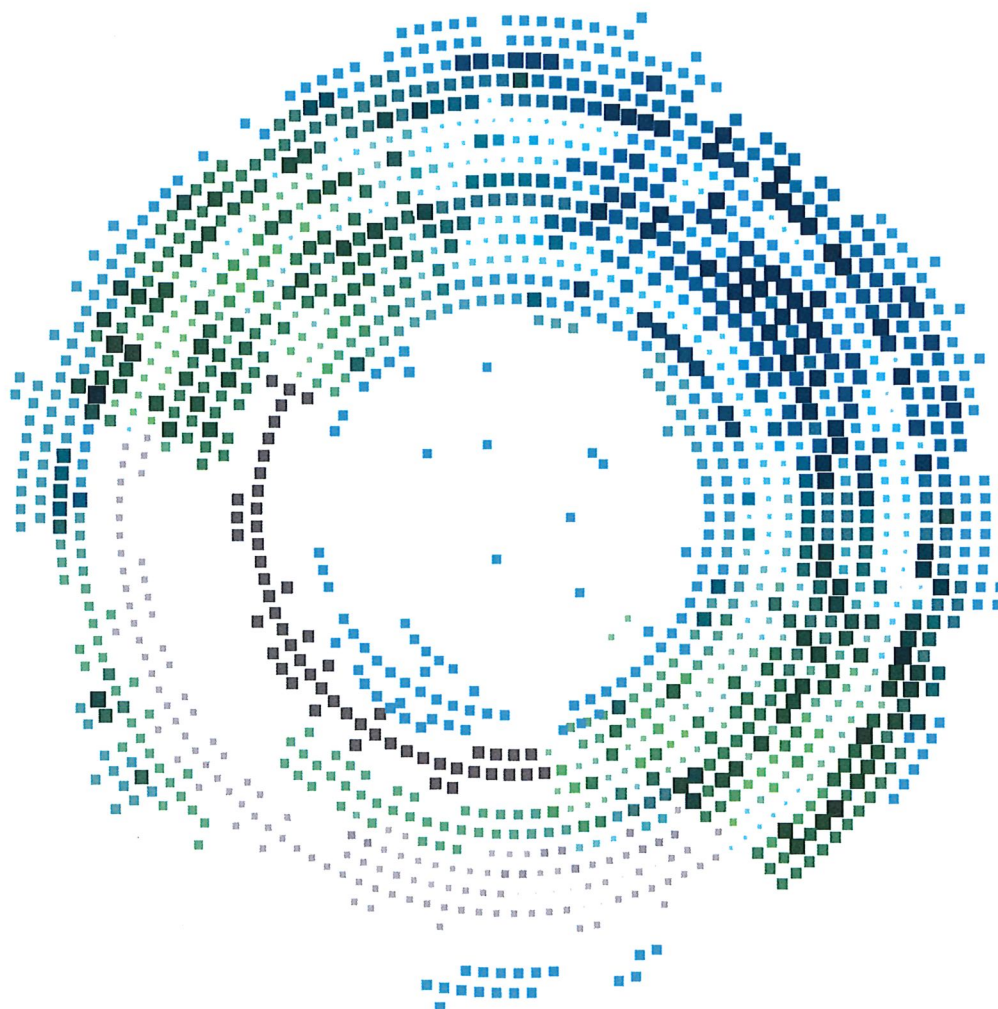




Team Rynkeby Fonden

Vestergade 30
5750 Ringe
CVR No. 35318798

Annual report 01.09.2020 - 31.08.2021

The Annual General Meeting adopted the
annual report on 08.12.2021

Peter Frank Andersen
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020/21	13
Balance sheet at 31.08.2021	14
Statement of changes in equity for 2020/21	16
Notes	17
Accounting policies	20

Entity details

Entity

Team Rynkeby Fonden

Vestergade 30

5750 Ringe

Business Registration No.: 35318798

Registered office: Faaborg-midtfyn

Financial year: 01.09.2020 - 31.08.2021

Board of Directors

Peter Frank Andersen, Chairman

Bengt Magnus Berndtsson

Torsten Fröhlich

Juha Pekka Helokoski

Lars Simper

Jens Christian Plauborg

Executive Board

Jørgen H.K. Jepsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Papirfabrikken 26

8600 Silkeborg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Team Rynkeby Fonden for the financial year 01.09.2020 - 31.08.2021.

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 31.08.2021 and of the results of its operations for the financial year 01.09.2020 - 31.08.2021.

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.

Ringe, 08.12.2021

Executive Board



Jørgen H.K. Jepsen

Board of Directors



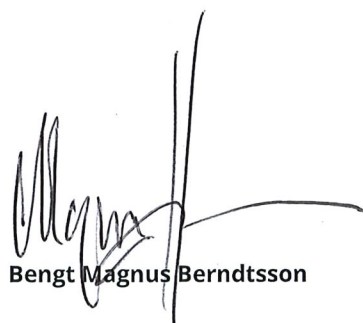
Peter Frank Andersen
Chairman



Torsten Fröhlich



Lars Simper



Bengt Magnus Berndtsson



Juha Pekka Helokoski



Jens Christian Plauborg

Independent auditor's report

To the shareholders of Team Rynkeby Fonden

Opinion

We have audited the financial statements of Team Rynkeby Fonden for the financial year 01.09.2020 - 31.08.2021, 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 31.08.2021 and of the results of its operations for the financial year 01.09.2020 - 31.08.2021 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.

Silkeborg, 08.12.2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

A handwritten signature in black ink, appearing to read 'Troels', written over a light blue horizontal line.

Troels Løvschall

State Authorised Public Accountant

Identification No (MNE) mne32206

Management commentary

Primary activities

At a Christmas lunch in 2001 at Rynkeby Foods, one of the employees (Knud Vilstrup) came up with the idea of making a trip where you had to cycle from the danish town of Ringe to Paris to experience the end of the Tour de France - the world's largest cycling race.

7 other employees were hooked on the idea of cycling to Paris in July 2002 and a doctor, a priest and an undertaker joined them. Sponsorship funds were sought for the trip and the profits were donated to sick children. A tradition was founded. This year, therefore, Team Rynkeby celebrates a 20-year anniversary, which i.a. is marked with a special 20-year logo and a special film.

Rynkeby Foods founded the Team Rynkeby Foundation on 15 October 2013. The foundation's purpose is to run and provide support, grants and donations to socially beneficial and non-profit activities, including activities of health, social, cultural, humanitarian and educational nature.

The Team Rynkeby Foundation's main activity and brand is still the annual bike ride to Paris. It has been completed 18 times to date. In the 2019/20 season, due to Covid 19, it was not possible to carry out major events and sporting events, which is why the trip was completely cancelled.

In the 2020/21 season, there were still restrictions, but towards the summer of 2021, the situation loosened up in many of the participating countries. Therefore, it was decided to conduct national tours. These were a huge success - well helped by fantastic weather in Northern Europe.

Another major activity is the School Race, which is held in four countries. Here children run for children.

Development in activities and finances

The Foundation's result shows a profit of 63,135 t.DKK compared to 58,709 t.DKK for the 2019/20 season. This is considered very satisfactory in the light of Covid-19 that in many ways put obstacles in the way of fundraising activities.

Team Rynkeby had in 2020/21 58 teams in 8 countries and one common European team, and in total 2.542 participants. In addition, Team Rynkeby have 2.108 Team Rynkeby Cycling Club (TRCC) members, who are former Team Rynkeby participants who still want to be a part of Team Rynkeby and attend to events. This overview shows who have helped to create the profit in 2020/21.

	Teams	Participants	TRCC members
Denmark	19	1023	892
Sweden	16	528	448
Norway	10	336	180
Finland	8	390	562
Faroe Island	1	66	
Iceland	1	53	22
Germany	2	87	3
Switzerland	1	21	1
European	1	38	
Total	59	2542	2108

The Team Rynkeby Foundation has a well-proven and scalable concept, with cycling training, fundraising work and the completion of the trip to Paris. It all happens in a well-organized setting. Volunteers carry out the majority of the activities. Being part of Team Rynkeby requires that you are active in raising funds for children with critical illness - primarily childhood cancer.

A Team Rynkeby rider usually contributes 300 hours a year to training, sponsorship work, the trip to Paris and other social events.

During the year we hold a number of fundraising activities:

1. Sale of sponsorships – especially sponsorships in which the company name/logo is displayed on the yellow jersey.
2. The Team Rynkeby School Run – an exercise concept held in the early spring at a large number of schools in Denmark, Finland, Sweden and Norway.
3. A variety of events – lectures, spinning, golf tournaments, concerts, etc., for the purpose of making money for the foundation's primary purpose.
4. Through activation of our own special collection platform – MyCollection.
5. By cooperating with various associations and organisations.
6. Other donations and contributions from foundations and private individuals.

Due to the Team Rynkeby participants, it has been possible for Team Rynkeby to make the following donations:

Donation in 2020/21 to		(1.000 DKK)		
		Total	Paid to TRF	Paid directly
DK	Børnecancerfonden	18.128 DKK	17.408 DKK	720 DKK
DK	Børnelungefonden	5.579 DKK	5.579 DKK	0 DKK
SE	Barncancerfonden	21.220 DKK	21.061 DKK	159 DKK
SE	Barnhjärnfonden	4.407 DKK	4.407 DKK	0 DKK
FI	SYLVA	2.103 DKK	1.625 DKK	478 DKK
FI	Aamu	4.906 DKK	3.454 DKK	1.453 DKK
NO	Barnkreftforeningen	10.678 DKK	6.652 DKK	4.026 DKK
IS	Styrktarfélag Krabbameinssjúkra Barna	1.389 DKK	1.389 DKK	0 DKK
DE	Deutsche Kinderkrebsstiftung	2.035 DKK	1.466 DKK	569 DKK
ES	Sant Joan de Déu Barcelona Hospital (Spanien)	93 DKK	93 DKK	0 DKK
FR	Association pour Emma (Frankrig)	73 DKK	73 DKK	0 DKK
CH	Stiftung Kinderkrebsforschung Schweiz	531 DKK	393 DKK	138 DKK
LT	Mamu Unija (Lithuania)	22 DKK	22 DKK	0 DKK
HU	Gyermekrák Alapítvány (Hungary)	13 DKK	13 DKK	0 DKK
DK	Børnecancerfonden (indsamlet TR Europe)	78 DKK	78 DKK	0 DKK
DE	Deutsche Kinderkrebsstiftung (indsamlet i TR Europe)	56 DKK	56 DKK	0 DKK
	Donation in 2020/21 total	71.309 DKK	63.767 DKK	7.542 DKK
	Donation in 2019/20 total	63.960 DKK	58.389 DKK	5.571 DKK

100% of the total funds of the Foundation are distributed, but DKK 267k is transferred to the next financial year, which can be attributed to price differences per 31/08/2021 upon recognition of the funds collected in the 2020/21 annual report. It is therefore not a question of savings in the Foundation, only accounting adjustments.

It should in that connection be mentioned that the money raised in the Faroe Islands is raised 'outside' the Team Rynkeby Foundation, but this is done in close cooperation with the local organization, the Faroe Islands Cancer Society, and controlled by an external auditor. In 2020/21 the Faroe Islands collected DKK 1.130k.

Administration m.v.

Sales of bicycles, bicycle clothing and hotel accommodation to the participants are also included in the Fund's activities but are priced at cost prices so that it does not affect the profit.

The foundation receives great financial support from Rynkeby Foods and Eckes-Granini (who own Rynkeby Foods A / S). The organizations that receive donations from Team Rynkeby pay a fixed amount per teams established in the respective country. This amount goes to cover part of the fund's administrative costs.

Board and secretariat

A board of 5-7 members manages the foundation. The CEO of Rynkeby Foods A/S is by default chairman of the board. During the period, there have been the following changes:

- Ivan Thyregod took over as CEO of Rynkeby Foods A / S on 1 October 2020 and took over the chairmanship from Peter Frank Andersen.
- Peter Frank Andersen continued on the board as a non-executive member.
- On 1 October 2020, Lone Brandt was replaced by Juha Helkoski from Marli / Eckes-Granini Finland.
- On 24 March 2021, Jørn Falk was replaced by Jens Chr. Plauborg (CFO for Rynkeby Foods).
- In July 2021, Ivan Thyregod resigned as CEO of Rynkeby Foods A / S and since then the position has been vacant.

The Board of Directors decided on 2 August 2021 that Peter Frank Andersen rejoined as Chairman.

Team Rynkeby Foundation's daily operations are handled by 4 full-time employees and a number of consultants (Country Managers, etc.)

The foundation's CEO for 12 years Carl Erik Dalbøge resigned at the end of August 2021. Jørgen HK Jepsen started as the new General Manager on 2 August 2021

Examples of projects we have supported in 2020:

Norway: Research Project: "PROTECT: Precision Oncology for children with cancer".

About: 'There are still children who get aggressive cancer with short-survival, unexpected relapses and / or lifelong side effects. With today's knowledge it is possible to sequence all our genetic material. The project will help to increase knowledge of cancer dispositions in clinical treatment among other things.

Recipient: Oslo Universitetssykehus.

Donation in 2020: NOK 3.500.000

Finland: Cancer Research Project:

About: Research into changes in epigenetic factors PP2A-mediated regulation in pediatric cancers.

Recipient: Turku Bioscience Center.

Donation in 2020: € 30.000

Denmark: Lung Project

About: 1) Teaching initiatives with a focus on lungs for e.g., primary and lower secondary schools and institutions, i.e. the Lung Association's Lung box.

2) The implementation of 'FamilieCamp' in August for families with a child with lung disease, which became a much-needed break for the families, on top of a six-month period marked by Corona, cancellations and uncertainty.

Recipient: 7 activities through The Children's Lung Association

Donation in 2020: DKK 1.918.473

Sweden: Brain Research Project: "Emotion regulation in adolescents with ADHD"

About: By scientific research on which strategies different individuals use it is possible to develop the right treatment. 150 adolescents with suspected ADHD in the ages of 11 and upwards will be recruited to this study through child- and adolescent psychiatry in Uppsala. An evenly distributed control group of individuals without diagnosis will also be a part of the study.

Recipient: University of Uppsala

Donation in 2020: SEK 600.000

Profit/loss for the year in relation to expected developments

The Foundation's result shows a profit of DKK 63,135k compared to DKK 58,709k for the 2019/20 season. This is considered very satisfactory in the light of Covid-19 that in many ways put obstacles in the way of fundraising activities.

Uncertainty relating to recognition and measurement

The Foundation has recognised a deposit receivable of DKK 4,797k as prepayments in the balance sheet.

The deposit relates to a payment made by the Foundation to a travel agency in connection with the agency's payment of hotels etc when planning and booking a bike trip to Paris for the Foundation in the financial year 2021/22.

Due to the general uncertainty currently associated with assessing the future impact of COVID-19, including the economic and financial situation of travel agents, material uncertainty exists about the recognition and measurement of the deposit recognised in the balance sheet.

After financial year-end, the Foundation has been made aware that its income from sponsorships in Sweden for 2020/21 and previous years might, in whole or in part, fall within a rule in Sweden saying that, if certain conditions have been met, a particular advertising tax is payable on such income.

The Foundation is currently in the process of determining to what extent the Foundation – considering its special object of collecting funds that may be donated to charity – is falling within the Swedish rule that advertising tax is payable on its income from sponsorships. At the time of financial reporting, Management considers it likely that the Foundation will be liable, to some extent, to pay advertising tax in Sweden for 2020/21 and previous years, and based on Management's estimate of the level of such liability a provision of DKK 5,000k has been made in the 2020/21 financial statements for this liability. DKK 900k of the recognised provision of DKK 5,000k has been charged to profit or loss whereas an amount of DKK 4,100k relating to previous financial years has been adjusted directly through equity.

The Team Rynkeby Foundation has made an agreement with Barncancerfonden (Sweden), which has received donations throughout the past years based on the funds collected in Sweden through sponsorships etc., that it will keep free the Barncancerfonden (Sweden) of any claims it might be faced with by the tax authorities. Since donations to the Barncancerfonden (Sweden) are recognised as distributions directly through equity, an amount of DKK 5,000k has been recognised in equity that matches Management's best estimate of the probable liability correspondingly provided for in the financial statements. See above. This agreement ensures that the Foundation's financial position is not expected to be affected by a possible claim by the tax authorities for payment of advertising tax on the portion of the Foundation's income from sponsorships that is related to Sweden.

Outlook

We are planning a normal year of cycling without noticeable Covid-19 restrictions, but the cancellation of the trip to Paris in 2020, and the many restrictions in 2021, have contributed to a fall in interest for admission to a Team Rynkeby team in the Nordic countries.

In the coming years, therefore, our focus will be to continue to appear with an attractive offer for people who want to be part of a unique community where exercise and charity unite.

Despite the decline in applications, Team Rynkeby continues to grow. In the 2021/22 season, Team Rynkeby will be represented in 9 countries and with 64 teams. In Belgium, a team based in Brussels has been established for the first time. And work carries on for continued growth in Germany, where teams will be established in two more cities - in Berlin and in the Rhein-Ruhr area.

Events after the balance sheet date

After the closing of the annual accounts, a special event has been held in each collection country, where the collected amount has been published and formally handed over to the recipient organization. The actual transfer has subsequently taken place via bank transfer.

After financial year-end, the Foundation has been made aware that its income from sponsorships in Sweden for 2020/21 and previous years might, in whole or in part, fall within a rule in Sweden saying that, if certain conditions have been met, a particular advertising tax is payable on such income. As explained on page 10 in the "Uncertainty relating to recognition and measurement" section, this matter is not, in view of the agreement entered into with the Barncancerfonden (Sweden), expected to influence the Foundation's financial position.

Income statement for 2020/21

	Notes	2020/21 DKK	2019/20 DKK
Revenue		71,672,070	66,294,186
Other external expenses		(5,876,408)	(5,685,634)
Gross profit/loss		65,795,662	60,608,552
Staff costs	2	(3,080,100)	(2,812,623)
Depreciation, amortisation and impairment losses		0	(3,800)
Operating profit/loss		62,715,562	57,792,129
Other financial income		527,985	61,442
Other financial expenses		(108,785)	(144,176)
Profit/loss before tax		63,134,762	57,709,395
Tax on profit/loss for the year		0	0
Profit/loss for the year		63,134,762	57,709,395
Proposed distribution of profit and loss:			
Retained earnings		63,134,762	57,709,395
Proposed distribution of profit and loss		63,134,762	57,709,395

Balance sheet at 31.08.2021

Assets

	Notes	2020/21 DKK	2019/20 DKK
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	3	0	0
Fixed assets		0	0
Trade receivables		6,100,664	4,987,355
Other receivables	4	5,000,000	0
Prepayments		5,181,779	5,259,303
Receivables		16,282,443	10,246,658
Cash		58,302,152	53,673,757
Current assets		74,584,595	63,920,415
Assets		74,584,595	63,920,415

Equity and liabilities

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital		500,000	500,000
Provision for distributions		63,767,507	58,389,091
Retained earnings		2,230,740	(2,438,064)
Equity		66,498,247	56,451,027
Other provisions	5	5,000,000	4,100,000
Provisions		5,000,000	4,100,000
Other payables		168,679	319,137
Non-current liabilities other than provisions	6	168,679	319,137
Trade payables		1,600,231	1,467,132
Income tax payable		18,500	18,500
Other payables		1,298,938	1,064,619
Deferred income		0	500,000
Current liabilities other than provisions		2,917,669	3,050,251
Liabilities other than provisions		3,086,348	3,369,388
Equity and liabilities		74,584,595	63,920,415
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		

Statement of changes in equity for 2020/21

	Contributed capital DKK	Provision for distributions DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	58,389,091	1,661,936	60,551,027
Corrections of material errors	0	0	(4,100,000)	(4,100,000)
Adjusted equity, beginning of year	500,000	58,389,091	(2,438,064)	56,451,027
Ordinary distributions	0	(58,087,542)	0	(58,087,542)
Exchange rate adjustments	0	(301,549)	301,549	0
Other entries on equity	0	0	5,000,000	5,000,000
Profit/loss for the year	0	63,767,507	(632,745)	63,134,762
Equity end of year	500,000	63,767,507	2,230,740	66,498,247

Other entries in equity are related to a recognised refund of the provision because of the agreement with the Barncancerfonden (Sweden).

Notes

1 Uncertainty relating to recognition and measurement

The Foundation has recognised a deposit receivable of DKK 4,797 thousand as prepayments in the balance sheet. The deposit relates to a payment made by the Foundation to a travel agency in connection with the agency's payment of hotels etc when planning and booking a bike trip to Paris for the Foundation in the financial year 2021/22.

Due to the general uncertainty currently associated with assessing the future impact of COVID-19, including the economic and financial situation of travel agents, material uncertainty exists about the recognition and measurement of the deposit recognised in the balance sheet.

After financial year-end, the Foundation has been made aware that its income from sponsorships in Sweden for 2020/21 and previous years might, in whole or in part, fall within a rule in Sweden saying that, if certain conditions have been met, a particular advertising tax is payable on such income.

The Foundation is currently in the process of determining to what extent the Foundation – considering its special object of collecting funds that may donated to charity – is falling within the Swedish rule that advertising tax is payable on its income from sponsorships. At the time of financial reporting, Management considers it likely that the Foundation will be liable, to some extent, to pay advertising tax in Sweden for 2020/21 and previous years, and based on Management's estimate of the level of such liability a provision of DKK 5,000k has been made in the 2020/21 financial statements for this liability. DKK 900k of the recognised provision of DKK 5,000k has been charged to profit or loss whereas an amount of DKK 4,100k relating to previous financial years has been adjusted directly through equity.

The Team Rynkeby Foundation has made an agreement with the Barncancerfonden (Sweden), which has received donations throughout the past years based on the funds collected in Sweden through sponsorships etc., that it will keep free the Barncancerfonden (Sweden) of any claims it might be faced with by the tax authorities. Since donations to the Barncancerfonden (Sweden) are recognised as distributions directly through equity, an amount of DKK 5,000k has been recognised in equity that matches Management's best estimate of the probable liability correspondingly provided for in the financial statements.

This agreement ensures that the Foundation's financial position is not expected to be affected by a possible claim by the tax authorities for payment of advertising tax on the portion of the Foundation's income from sponsorships that is related to Sweden.

2 Staff costs

	2020/21 DKK	2019/20 DKK
Wages and salaries	2,815,219	2,581,318
Pension costs	238,658	207,043
Other social security costs	26,223	24,262
	3,080,100	2,812,623
Average number of full-time employees	4	4

3 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	41,800
Cost end of year	41,800
Depreciation and impairment losses beginning of year	(41,800)
Depreciation and impairment losses end of year	(41,800)
Carrying amount end of year	0

4 Other receivables

	2020/21 DKK	2019/20 DKK
Other receivables	5,000,000	0
	5,000,000	0

Other receivables recognised are related to the recognised refund of the provision because of the agreement with the Barncancerfonden (Sweden).

5 Other provisions

Provisions recognised are related to the potential liability concerning repayment of advertising taxes in Sweden.

6 Non-current liabilities other than provisions

	Due after more than 12 months 2020/21 DKK
Other payables	168,679
	168,679

7 Unrecognised rental and lease commitments

	2020/21	2019/20
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	111,900	240,315

8 Contingent liabilities

Team Rynkeby Fonden has contracted with its bicycle, hotel and clothing supplier for production and delivery for the Paris trip until 2023. Contract with marketing consultants have been established for the Paris trip until 2022.

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.

Material errors in previous years

After financial year-end, the Foundation has been made aware that its income from sponsorships in Sweden for 2020/21 and previous years might, in whole or in part, fall within a rule in Sweden saying that, if certain conditions have been met, a particular advertising tax is payable on such income. At the time of financial reporting, Management considers it likely that the Foundation will be liable, to some extent, to pay advertising tax in Sweden for 2020/21 and previous years, and based on Management's estimate of the level of such liability a provision of DKK 5,000k has been made in the 2020/21 financial statements for this liability.

DKK 900k of the recognised provision of DKK 5,000k has been charged to profit or loss whereas an amount of DKK 4,100k relating to previous financial years has been adjusted directly through equity. The comparative figures have been adjusted accordingly to the effect that the portion of the estimated liability related to the financial year 2019/20 has reduced the profit for 2019/20 by DKK 1,000k.

The Team Rynkeby Foundation has made an agreement with the Barncancerfonden (Sweden), which has received donations throughout the past years based on the funds collected in Sweden through sponsorships etc., that it will keep free the Barncancerfonden (Sweden) of any claims it might be faced with by the tax authorities, by repaying some of the donations received. Since donations to the Barncancerfonden (Sweden) are recognised as distributions directly through equity, an amount of DKK 5,000k has been recognised in equity that matches Management's best estimate of the probable liability correspondingly provided for in the financial statements.

The aggregate effect on the Foundation's profit or loss and financial position can be calculated as follows for the comparative year 2019/20:

	Income statement DKK'000	Assets DKK'000	Liabilities DKK'000	Equity DKK'000
Unadjusted misstatements				
Provision recognised for advertising tax	(1,000)	0	4,100	(3,100)
Unadjusted misstatements before tax	(1,000)	0	4,100	(3,100)
Tax effect thereof*	0	0	0	
Unadjusted misstatements after tax	(1,000)	0	4,100	(3,100)
Total effect on equity at year-end including effect on profit or loss				(4,100)
Key figures according to the audited financial statements	58,709	63,920	3,369	60,551
Key figures assuming recognition of misstatements	57,709	63,920	7,469	56,451

*) In the table above, no allowance has been made for the tax effect thereof as the liability is adjusted against provisions for subsequent distributions for charitable purposes.

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 Foundation, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Foundation 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 Foundation, 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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of sponsorship, donations and collections etc. is recognised in the income statement on an ongoing basis in connection with invoicing.

Other external expenses

Other external expenses include expenses relating to the Foundation's ordinary activities, including expenses for 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 as well as social security contributions, pension contributions, etc for Foundation staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to tangible fixed assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of tangible fixed assets.

Other financial income

Other financial income comprises interest income, including interest income from bank deposits, transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, including payables and transactions in foreign currencies 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

Property, plant and equipment

Other plant and fixtures and fittings 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 plant and fixtures and fittings

Based on the
term of
agreement

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Distributions

Distributions that have been resolved and distributed at the balance sheet date in accordance with the object of the Foundation are deducted from equity through the line item amount provided for distributions.

Those of the Foundation's expenses which are considered distributions are deducted from its amount provided for distributions in that an amount equivalent to distributions is recognised as income.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Tax receivable or payable

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

Deferred income

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