The background image shows a modern glass building with a historic tower on the left and a person walking in the foreground. A semi-transparent grey box contains the title text.

# **BLOXHUB ANNUAL REPORT 2018**

**BLOXHUB**  
BLOX  
Bryghuspladsen 8  
Entrance C, 3rd floor  
1473 Copenhagen K  
Denmark

CVR no. 37785539

[info@bloxhub.org](mailto:info@bloxhub.org)



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# ***Foreningen Bloxhub***

Bryghuspladsen 8, DK-1473 Copenhagen K

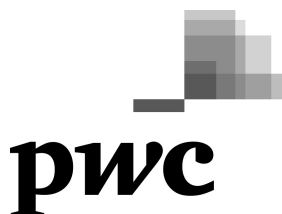
## **Annual Report for 1 January - 31 December 2018**

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CVR No 37 78 55 39

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
29/4 2019

Bruno Månsson  
Chairman of the General  
Meeting



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Foreningen Bloxhub for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Federation and of the results of the Federation operations for 2018.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 29 April 2019

## Executive Board

Torben Klitgaard  
Executive Officer

## Board of Directors

Lars-Peter Søbye  
Chairman

Jørgen Bardenfleth  
Vice Chairman

Nina Kovsted Helk

Bruce Katz

Torben Nielsen

Michael Kragh Rasmussen

Line Nørbæk

Jacob Holm

Søren Tegen Pedersen



# Independent Auditor's Report

To the Board of Directors of Foreningen Bloxhub

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Federation at 31 December 2018 and of the results of the Federation's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Foreningen Bloxhub for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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 Financial Statements" section of our report. We are independent of the Federation 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

## 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.

# Independent Auditor's Report

In preparing the Financial Statements, Management is responsible for assessing the Federation'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 Financial Statements unless Management either intends to liquidate the Federation 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 Federation'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 Federation'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 Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

# Independent Auditor's Report

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.

Hellerup, 29 April 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Claus Christensen

statsautoriseret revisor

mne33687



## Company Information

### The Company

Foreningen Bloxhub  
Bryghuspladsen 8  
DK-1473 Copenhagen K  
Website: [www.bloxhub.org](http://www.bloxhub.org)

CVR No: 37 78 55 39  
Financial period: 1 January - 31 December  
Incorporated: 3 June 2016  
Municipality of reg. office: Copenhagen

### Board of Directors

Lars-Peter Søbye, Chairman  
Jørgen Bardenfleth, Vice Chairman  
Nina Kovsted Helk  
Bruce Katz  
Torben Nielsen  
Michael Kragh Rasmussen  
Line Nørbæk  
Jacob Holm  
Søren Tegen Pedersen

### Executive Board

Torben Klitgaard

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# Management's Review

## Intro

BLOXHUB is the Nordic Hub for sustainable urbanization, founded on the belief that the challenges of global urbanization and climate change require new ways of collaboration. The objective is to contribute to sustainable urbanization – on a global scale – through the development of innovative solutions encompassing architecture, design, construction and urban development, coupled with new knowledge within the area of digitalization. Solutions that can create growth, new businesses and increased exports.

In BLOXHUB an international ecosystem of 270+ small and large companies, start-ups, cities, organizations, and research institutions gain knowledge, work across fields of knowledge and aspire to create new solutions for global cities.

As a member in BLOXHUB, you get access to tailored workshops and programs that will help you connect, share and scale your business.

BLOXHUB is a non-profit organization founded in 2016 by Realdania, the City of Copenhagen and the Ministry of Industry, Business and Financial Affairs.

## Activities in 2018

BLOXHUB's main activity is the facilitation of a co-working space for 500+ people working within sustainable urbanization. The co-working space is located in BLOX and Fæstningens Materialgård and opened in April 2018.

The rental of the offices and desks was successful and by the end of the year, more than 75 % of the space was rented to member companies.

Besides the co-working space, BLOXHUB offers a number of programs, activities and events with the purpose of connecting members, facilitating their sharing of ideas and knowledge and help them scale their business.

In 2018 more than 80 events with 1500+ participants were conducted within BLOXHUB's 8 primary themes on sustainable urbanization:

- Livability
- Urban Mobility
- Urban resilience
- Sustainable buildings
- Design DNA
- Circular economy
- Digitalisation
- Urban governance

## Management's Review

The largest event in 2018 was the official opening of BLOX in May, which was held in corporation with the building owner and Danish Architecture Centre and gathered almost 20.000 participants.

BLOXHUB runs the member program MATCH – a B2B service offering counselling, workshops, and network opportunities to map companies with the right competences, help unleash the potential of ideas, and scale up business opportunities. In summary, Match was used by more than 160 companies and organizations in 2018.

Also in 2018, Match has expanded the global reach by introducing the GLOBAL MATCH program in collaboration with the Danish Foreign Ministry. The goal is to link Danish companies to international business opportunities within sustainable urbanization.

BLOXHUB also runs the cross disciplinary research platform called SCIENCE FORUM. A 50+ student network for industrial PhDs, fellows and postdocs with the purpose of bridging the newest research across science institutions with leading Danish businesses.

### Development through the year

The primary income in 2018 was rental income from BLOXHUB's tenants. The secondary income was grants from the founding father Realdania as well as funds from Realdania By & Byg A/S, the building owner of BLOX and Fæstningens Materialgård. Membership fees and the rental of meeting rooms also contributed to BLOXHUB's income.

As for the expenses, BLOXHUB spent DKK 32.8 million on the operation in 2018.

At December 31, 2018, the balance sheet shows an equity of DKK 1.4 million. This years profit of DKK 0.5 million is transferred to retained earnings.

The management considers the result for 2018 as satisfactory and in line with the expectations.



# Management's Review

## Targets and expectations for 2019

The development of BLOXHUB will continue in 2019. The aim is to continue the member growth and the rental of co-working space. Also, the activities will be further developed and the daily matchmaking between members and partners will be strengthened.

Among the new activities in 2019 is the launch of the Urban Tech Acceleration Program. COWI, VKR Holding, Amazon Web Services and Ewii have partnered up accompanied by funding from both Realdania and Industriens Fond. The outline is a 3-year program – each year sourcing from 300+ international tech start ups and selecting 10 companies for a 3-month acceleration program meeting partners, mentors and potential investors.

Also, a Summerschool for students across universities will be launched – a 3-year cross disciplinar program that bridges students and companies. The program is offered in collaboration with five Danish research institutions.

As a non-profit organization, BLOXHUB does not aim to make a profit besides a small buffer to secure the future operation. The primary risk in 2019 will be the rental of the co-working space, i.e. the occupancy rate.

## Unusual events

The financial position at 31 December 2018 of the Company and the results of the activities of the Company for the financial year for 2018 have not been affected by any unusual events.

## Income Statement 1 January - 31 December

	Note	2018 DKK	2017 DKK
<b>Revenue</b>		<b>37,707,159</b>	<b>15,801,376</b>
Other external expenses		-26,119,163	-11,715,385
<b>Gross profit/loss</b>		<b>11,587,996</b>	<b>4,085,991</b>
Staff expenses	2	-6,679,400	-4,417,826
Depreciation and impairment losses	3	-4,419,025	-61,917
<b>Profit/loss before financial income and expenses</b>		<b>489,571</b>	<b>-393,752</b>
Financial income		21,488	346
Financial expenses		-5,229	-20,568
<b>Profit/loss before tax</b>		<b>505,830</b>	<b>-413,974</b>
Tax on profit/loss for the year		0	0
<b>Net profit/loss for the year</b>		<b>505,830</b>	<b>-413,974</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings	505,830	-413,974
	<b>505,830</b>	<b>-413,974</b>

# Balance Sheet 31 December

## Assets

	Note	2018 DKK	2017 DKK
Other fixtures and fittings, tools and equipment		3,370,568	371,905
Leasehold improvements		18,639,171	267,875
Property, plant and equipment in progress		0	1,259,219
<b>Property, plant and equipment</b>	<b>4</b>	<b>22,009,739</b>	<b>1,898,999</b>
Other receivables		0	2,125,000
<b>Fixed asset investments</b>		<b>0</b>	<b>2,125,000</b>
<b>Fixed assets</b>		<b>22,009,739</b>	<b>4,023,999</b>
Trade receivables		1,364,841	323,656
Other receivables		7,008,573	12,390,810
Prepayments		1,755,373	17,360,602
<b>Receivables</b>		<b>10,128,787</b>	<b>30,075,068</b>
<b>Cash at bank and in hand</b>		<b>24,832,925</b>	<b>15,469,530</b>
<b>Currents assets</b>		<b>34,961,712</b>	<b>45,544,598</b>
<b>Assets</b>		<b>56,971,451</b>	<b>49,568,597</b>



# Balance Sheet 31 December

## Liabilities and equity

	Note	2018 DKK	2017 DKK
Retained earnings		1,390,723	884,893
<b>Equity</b>		<b>1,390,723</b>	<b>884,893</b>
Other provisions	5	38,141,710	35,569,624
<b>Provisions</b>		<b>38,141,710</b>	<b>35,569,624</b>
Deposits		4,722,441	0
<b>Long-term debt</b>	6	<b>4,722,441</b>	<b>0</b>
Credit institutions		0	24,438
Trade payables		2,031,225	2,072,735
Other payables		1,618,798	1,016,907
Deferred income		9,066,554	10,000,000
<b>Short-term debt</b>		<b>12,716,577</b>	<b>13,114,080</b>
<b>Debt</b>		<b>17,439,018</b>	<b>13,114,080</b>
<b>Liabilities and equity</b>		<b>56,971,451</b>	<b>49,568,597</b>
Subsequent events	1		
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

## Statement of Changes in Equity

	Retained earnings	Total
	DKK	DKK
Equity at 1 January	884,893	884,893
Net profit/loss for the year	505,830	505,830
<b>Equity at 31 December</b>	<b>1,390,723</b>	<b>1,390,723</b>

# Notes to the Financial Statements

## 1 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## 2 Staff expenses

	2018 DKK	2017 DKK
Wages and salaries	6,607,888	4,350,118
Other social security expenses	62,655	16,378
Other staff expenses	8,857	51,330
	<b>6,679,400</b>	<b>4,417,826</b>
 <b>Average number of employees</b>	 <b>11</b>	 <b>7</b>

## 3 Depreciation and impairment losses

Depreciation of property, plant and equipment	4,419,025	61,917
	<b>4,419,025</b>	<b>61,917</b>
 Which is specified as follows:		
Other fixtures and fittings, tools and equipment	1,216,957	12,719
Leasehold improvements	3,202,068	49,198
	<b>4,419,025</b>	<b>61,917</b>



# Notes to the Financial Statements

## 4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost at 1 January	384,624	327,098	1,259,219
Additions for the year	4,215,620	17,862,216	2,451,929
Transfers for the year	0	3,711,148	-3,711,148
Cost at 31 December	4,600,244	21,900,462	0
Impairment losses and depreciation at 1 January	12,719	59,223	0
Depreciation for the year	1,216,957	3,202,068	0
Impairment losses and depreciation at 31 December	1,229,676	3,261,291	0
<b>Carrying amount at 31 December</b>	<b>3,370,568</b>	<b>18,639,171</b>	<b>0</b>

## 5 Other provisions

	2018 DKK	2017 DKK
Realdania BY & BYG A/S, grant for leasehold improvement	25,351,895	30,369,624
Realdania, BLOXHUB, grant for operations 2018-27	10,000,000	0
MATCH grant 2018-2019	2,456,315	5,000,000
GI pilot project on Summer School	200,000	200,000
Detained for refurbishment of permises	133,500	0
	<b>38,141,710</b>	<b>35,569,624</b>

# Notes to the Financial Statements

## 6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2018 DKK	2017 DKK
<b>Deposits</b>		
Between 1 and 5 years	4,722,441	0
Long-term part	4,722,441	0
Within 1 year	0	0
	<b>4,722,441</b>	<b>0</b>

## 7 Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	26,420,332	9,580,468
Between 1 and 5 years	105,492,583	105,712,898
After 5 years	112,317,948	138,728,899
	<b>244,230,863</b>	<b>254,022,265</b>

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of Foreningen Bloxhub for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Federation, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Federation, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

## Income Statement

### Revenue

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales. Revenue comprises grants and funds received, membership fees, rental income etc.

### Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Extraordinary income and expenses

Extraordinary income and expenses comprise income and expenses resulting from events or transactions which clearly differ from ordinary activities and which are not expected to be of a recurring nature.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## Balance Sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings,	
Tools and equipment	5 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Federation has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

### Deferred income

Deferred income comprises payments received in respect of income in subsequent years.