

**SOFTLINE SOLUTIONS  
NETHERLANDS B.V.  
UTRECHT**

**ANNUAL ACCOUNTS 2013**

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Softline Solutions Netherlands B.V.  
To the attention of mr. D. Montanje  
Marconibaan 1C  
3439 MR Nieuwegein

Utrecht 4 February 2014  
42657

Dear members of the board,

## 1.1 INTRODUCTION

We hereby offer you the report concerning the annual report 2013 for Softline Solutions Netherlands B.V., Utrecht.

## 1.2 COMPILATION REPORT

### INTRODUCTION

In accordance with your instructions we have compiled the financial statements included in this report 2013 of Softline Solutions Netherlands B.V., Utrecht, which comprise the balance sheet as at 31 December 2013, the statement of income and expenses for the year then ended and the notes.

### MANAGEMENT'S RESPONSIBILITY

The distinctive feature of a compilation engagement is that we compile financial information based on information provided by management of the entity. Management is responsible for the accuracy and completeness of the information provided and the financial statements based thereon.

**ACCOUNTANT'S RESPONSIBILITY**

Our responsibility as accountant is to perform our engagement in accordance with Dutch Law, including the professional and ethical requirements applying to accountants.

In accordance with the professional standard applicable to compilation engagements, our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. Furthermore we have evaluated the appropriateness of the accounting policies which are used to compile the financial statements, based on the information provided by management. The nature of our procedures does not enable us to express any assurance on the true and fair view of the financial statements.

**CONFIRMATION**

Based on the information provided to us, we have compiled the financial statements using the accounting policies as included in Part 9 of Book 2 of the Dutch Civil Code.

### 1.3 GENERAL

#### ACTIVITIES

The company aims to:

- a. developing and selling software and delivering services relating to software;
- b. to collaborate with, participate in, take over and conduct management to other companies and enterprises;
- c. to (help) finance, including through the provision of securities, other companies and enterprises;
- d. to acquire, manage and dispose of real estate and movable property, effects and other securities, to borrow and to lend funds, to provide security, also for third party liabilities, and the provision of all that is related or may be conducive to the above

## 1.4 RESULT

The year ended with a profit of € 158,199 (2012: a profit of € 127,775).

### ANALYSIS OF THE RESULT

The following analysis is taken from the profit and loss account.

	2013		2012	
	€	%	€	%
<b>NET TURNOVER</b>	2.413.110	100,0	2.096.862	100,0
Cost of sales	-425.158	-17,6	-1.001.033	-47,7
<b>GROSS MARGIN</b>	<b>1.987.952</b>	<b>82,4</b>	<b>1.095.829</b>	<b>52,3</b>
Cost of work contracted out	503.705	20,9	98.874	4,7
Salaries and wages	735.382	30,5	540.309	25,8
Social security premiums	134.948	5,6	103.174	4,9
Depreciation of intangible and tangible assets	13.154	0,5	7.747	0,4
Other operating expenses	407.280	16,9	331.645	15,8
<b>TOTAL OPERATING EXPENSES</b>	<b>1.794.469</b>	<b>74,4</b>	<b>1.081.749</b>	<b>51,6</b>
<b>OPERATING RESULT</b>	<b>193.483</b>	<b>8,0</b>	<b>14.080</b>	<b>0,7</b>
Financial income and expense	-6.906	-0,3	-25.547	-1,2
<b>RESULT FROM OPERATIONAL ACTIVITIES BEFORE TAXATION</b>	<b>186.577</b>	<b>7,7</b>	<b>-11.467</b>	<b>-0,5</b>
Taxation	-28.378	-1,2	139.242	6,6
<b>NET RESULT AFTER TAXATION</b>	<b>158.199</b>	<b>6,5</b>	<b>127.775</b>	<b>6,1</b>

**ANALYSIS OF THE RESULTS**

Profit increased by € 30.424 compared with last year. The increase of the result can be further analysed as follows:

	<u>2013</u>	
	€	€
<b>INCREASE IN RESULT</b>		
Higher gross margin	892.123	
Higher financial income and expense	18.641	
	<hr/>	<b>910.764</b>
<b>DECREASE IN RESULT</b>		
Higher cost of work contracted out	404.831	
Higher salaries and wages	195.073	
Higher social security premiums	31.774	
Higher depreciation of intangible and tangible assets	5.407	
Higher other operating expenses	75.635	
Higher taxation	167.620	
	<hr/>	<b>880.340</b>
<b>IMPROVEMENT OF THE NET RESULT</b>		<hr/> <hr/> <b>30.424</b>

We shall of course be pleased to provide further information.

Yours sincerely,

**MAZARS PAARDEKOOPER HOFFMAN N.V.**



J.A.S. Bom RA

## **2. FINANCIAL STATEMENTS**



## 2.1 BALANCE SHEET AS AT 31 DECEMBER 2013

*After proposal profit appropriation*

### ASSETS

		<u>2013</u>		<u>2012</u>	
		€	€	€	€
<b>FIXED ASSETS</b>					
<b>TANGIBLE FIXED ASSETS</b>	1				
Hardware			51.935		6.450
<b>CURRENT ASSETS</b>					
<b>RECEIVABLES</b>					
Trade debtors	2	362.242		454.979	
Taxes and social security premiums	3	110.864		142.216	
Other receivables and prepayments	4	153.412		105.188	
			<u>626.518</u>	<u>702.383</u>	
<b>CASH AT BANK AND IN HAND</b>	5		122.460		26.375
			<u>800.913</u>	<u>735.208</u>	

**LIABILITIES**

		<u>2013</u>		<u>2012</u>	
		€	€	€	€
<b>SHAREHOLDERS' EQUITY</b>					
Issued share capital	6	18.000		18.000	
General reserve	7	-628.337		-786.536	
			-610.337		-768.536
<b>LONG-TERM LIABILITIES</b>					
Payables to group companies	8		829.089		977.226
<b>SHORT-TERM LIABILITIES</b>					
Trade creditors	9	206.377		188.819	
Payables to group companies	10	112.559		134.664	
Value added tax		69.928		80.715	
Wage tax payable		65.697		19.849	
Other liabilities and accruals	11	127.600		102.471	
			582.161		526.518
			<u>800.913</u>		<u>735.208</u>

## 2.2 STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2013

		2013		2012	
		€	€	€	€
<b>NET TURNOVER</b>	12	2.413.110		2.096.862	
Cost of sales	13	-425.158		-1.001.033	
<b>GROSS MARGIN</b>			1.987.952		1.095.829
Cost of work contracted out	14	503.705		98.874	
Salaries and wages	15	735.382		540.309	
Social security premiums	16	134.948		103.174	
Depreciation of intangible and tangible assets	17	13.154		7.747	
Other operating expenses	18	407.280		331.645	
<b>TOTAL OPERATING EXPENSES</b>			1.794.469		1.081.749
<b>OPERATING RESULT</b>			193.483		14.080
Other interest and similar income	19	809		-	
Interest and similar expenses	20	-7.715		-25.547	
<b>FINANCIAL INCOME AND EXPENSE</b>			-6.906		-25.547
<b>RESULT FROM OPERATIONAL ACTIVITIES BEFORE TAXATION</b>			186.577		-11.467
Taxation	21		-28.378		139.242
<b>NET RESULT AFTER TAXATION</b>			158.199		127.775

## 2.3 CASH FLOW STATEMENT FOR THE YEAR 2013

	2013		2012	
	€	€	€	€
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Operating result		193.483		14.080
Adjustments for				
Depreciation of intangible and tangible assets		13.154		7.747
Changes in working capital				
Trade debtors	92.737		-245.775	
Other accounts receivable	45.132		-222.117	
Accrued income and prepaid expenses	-62.004		1.354	
Accounts receivable (excluding banks)	55.643		75.179	
		<u>131.508</u>		<u>-391.359</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<u>338.145</u>		<u>-369.532</u>
Interest received	809		-	
Interest paid	-7.715		-25.547	
Taxation	-28.378		139.242	
		<u>-35.284</u>		<u>113.695</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<u>302.861</u>		<u>-255.837</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Investments in tangible assets		-58.639		-6.052
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Receipts from long-term liabilities		-148.137		168.264
<b>MOVEMENTS CASH</b>		<u>96.085</u>		<u>-93.625</u>
<b>TURNOVER MOVEMENT CASH AND CASH EQUIVALENTS</b>				
Balance as at beginning of financial year		26.375		120.000
Movements during financials year		96.085		-93.625
Balance at financial year end		<u>122.460</u>		<u>26.375</u>

## 2.4 NOTES TO THE FINANCIAL STATEMENTS

### GENERAL

#### *GOING CONCERN OF THE COMPANY ACTIVITIES*

The company made a profit for the year ending December 31, 2013 amounting to € 158,199. Despite the profit, the shareholders' equity of the company at the year ending December 31 2013 amounted -/- € 610,337. The board of directors have prepared these financial statements under the going concern assumption, given the positive outlook for the coming period. Although the loan obtained from the shareholder can be terminated with a notification of a three months period, it is the assumption of the board of directors that the shareholder will not use this option.

#### ACCOUNTING POLICIES IN RESPECT OF THE VALUATION OF ASSETS AND LIABILITIES

##### *GENERAL*

The financial statements have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code and are denominated in euro.

The financial statements have been prepared by applying the historical cost convention. Unless disclosed otherwise in the accounting principles for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on an accrual basis. Profit is only recognised when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

##### *TANGIBLE FIXED ASSETS*

The tangible fixed assets are stated at cost less depreciation based on the estimated economic lives of the assets concerned.

##### *ACCOUNTS RECEIVABLE*

Debtors are stated at face value less a provision for bad debts.

##### DEFERRED CORPORATE INCOME TAX

The deferred corporate tax income for possible future tax set-off is stated at 15%.

##### *LONG TERM LIABILITIES*

The long-term liabilities are stated at face value.

##### *CURRENT LIABILITIES*

The current liabilities are stated at face value.

## **ACCOUNTING POLICIES IN RESPECT OF RESULT DETERMINATION**

### ***RESULT***

The profit or loss is the balance of the turnover value of the goods provided and services rendered on the one hand and the costs and other expenses for the year on the other. Profits on transactions are recognised in the year they are realised; losses are recognised when foreseen.

Non-investment subsidies are recognised in the profit and loss account when it is likely that the subsidies concerned will be received.

### ***NET TURNOVER***

The net turnover shown in the profit and loss account is the revenue from goods and services supplied to third parties net of discounts and value added tax.

### ***COST OF SALES***

The cost of raw materials and consumables and the other expenses are recognised at cost.

### ***OTHER OPERATING EXPENSES***

Expenses are based on the historical cost convention and attributed to the financial year to which they pertain.

### ***TAXATION***

Corporation tax is calculated at the standard rates, taking account of fully and partially allowable items for tax purposes.

### ***BOARD OF DIRECTORS***

The Board of Directors during the financial year consisted of the following members: mr. D. Montanje and mr. L.J. Meijer.

## **PRINCIPLES OF THE CASH FLOW SUMMARY**

The cash flow statement has been prepared using the indirect method. 'Cash' refers to cash equivalents and current securities. The current securities can be characterised as very liquid investments. Cash flows in foreign currencies are translated at average exchange rates. Exchange differences on cash items are shown separately in the cash flow statement. Income and expense relating to interest, dividends received and tax on profit are included in the cash flow from operating activities. Dividends paid are included in the cash flow from financing activities.

## 2.5 NOTES TO THE BALANCE SHEET

### ASSETS

#### *FIXED ASSETS*

##### *1 TANGIBLE FIXED ASSETS*

Movements in tangible fixed assets are broken down as follows:

	<u>Hardware</u>
	€
Balance as at 1 January 2013	
Purchase price	24.711
Accumulated depreciation	-18.261
Book value as at 1 January 2013	<u>6.450</u>
Movements	
Investments	58.639
Depreciation	-13.154
Balance movements	<u>45.485</u>
Balance as at 31 December 2013	
Purchase price	83.350
Accumulated depreciation	-31.415
Book value as at 31 December 2013	<u>51.935</u>
Depreciation percentages	<u>20 - 50%</u>

**CURRENT ASSETS**

**RECEIVABLES**

	<u>2013</u>	<u>2012</u>
	€	€
<b>2 TRADE DEBTORS</b>		
Trade debtors	362.242	454.979
	<u>362.242</u>	<u>454.979</u>

A provision for bad debts was not considered necessary.

**3 TAXES AND SOCIAL SECURITY PREMIUMS**

Taxation and social security premiums	-	2.974
Deferred corporate income tax	110.864	139.242
	<u>110.864</u>	<u>142.216</u>

**4 OTHER RECEIVABLES AND PREPAYMENTS**

Guarantee deposit	8.660	15.030
Revenue to be invoiced/ work in progress	71.661	79.071
Prepaid housing expenses	73.091	10.437
Operating expenses	-	650
	<u>153.412</u>	<u>105.188</u>

**5 CASH AT BANK AND IN HAND**

Rabobank	122.460	26.375
	<u>122.460</u>	<u>26.375</u>



## LIABILITIES

### *SHAREHOLDERS' EQUITY*

	<u>2013</u>	<u>2012</u>
	€	€
<b>6 ISSUED SHARE CAPITAL</b>		
The authorised share capital of Softline Solutions Netherlands B.V. is € 90,000, divided into 900 ordinary shares of € 100. Issued share capital comprises 180 ordinary shares.		
Issued share capital		
Balance as at 1 January	18.000	18.000
Movements	-	-
Balance as at 31 December	<u>18.000</u>	<u>18.000</u>

The shares are held by Softline AG, Leipzig.

### *7 GENERAL RESERVE*

Balance as at 1 January	-786.536	-914.311
Appropriated of result	158.199	127.775
Balance as at 31 December	<u>-628.337</u>	<u>-786.536</u>

### *8 PAYABLES TO GROUP COMPANIES*

Loan Softline AG	<u>829.089</u>	<u>977.226</u>
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The loan has until 30 June 2012 an interest percentage based on the 3 month Euribor plus a margin of 4%. The loan has from 1 July 2012 an interest percentage based on the 3 month Euribor with a cap of 3%. The maximum of the loan is € 1.200.000. Although there is no maturity date regarding this loan, the loan can be terminated with a notification of a three months period. As it is the assumption of the board of directors that the shareholder will not use this option the loan is classified as long term.

### *SHORT-TERM LIABILITIES*

#### *9 TRADE CREDITORS*

Debt to suppliers and trade creditors	<u>206.377</u>	<u>188.819</u>
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	<u>2013</u>	<u>2012</u>
	€	€
<b>10 PAYABLES TO GROUP COMPANIES</b>		
Payable to group company Softline AG	112.559	134.664
	<u>112.559</u>	<u>134.664</u>

There is no maturity date regarding this loan.

**11 OTHER LIABILITIES AND ACCRUALS**

Cost of sales	18.219	49.147
Staff bonus	56.996	20.034
Reservation for holiday allowance	34.068	19.587
Auditfee	6.000	5.000
Accounting fee	4.200	4.200
Car expenses	-	2.674
Traveling expenses	-	194
IT Expenses	-	1.635
Other liabilities	8.117	-
	<u>127.600</u>	<u>102.471</u>

**OFF-BALANCE-SHEET RIGHTS, OBLIGATIONS AND ARRANGEMENTS**

**RENT**

In 2012 Softline Solutions Netherlands B.V. has closed a rental agreement with sir S. Birnie. The period of this agreement is from 1 June 2013 until 31 May 2016. The annual obligation regards € 22,000.

**OPERATIONAL LEASE AGREEMENT**

Softline Solutions Netherlands B.V. has closed several operational lease agreements with ING Car Lease. The annual obligation regards € 125,000.

## 2.6 NOTES TO THE STATEMENT OF INCOME AND EXPENSES

	<u>2013</u>	<u>2012</u>
	€	€
<b>12 NET TURNOVER</b>		
Turnover services	1.830.375	918.377
Turnover goods	582.735	1.178.485
	<u>2.413.110</u>	<u>2.096.862</u>
<b>13 COST OF SALES</b>		
Cost of sales	<u>425.158</u>	<u>1.001.033</u>
<b>14 COST OF WORK CONTRACTED OUT</b>		
Cost of work contracted out	<u>503.705</u>	<u>98.874</u>
<b>15 SALARIES AND WAGES</b>		
Gross salaries	757.910	542.009
Sickness benefits	-22.528	-1.700
	<u>735.382</u>	<u>540.309</u>
<p>The average number of active employees on a fulltime equivalent basis is 10,5 (2012: 8,2).</p>		
<b>16 SOCIAL SECURITY PREMIUMS</b>		
Social security premiums	85.619	66.622
Pension contributions	32.617	22.638
Health insurance	11.064	9.312
Other	5.648	4.602
	<u>134.948</u>	<u>103.174</u>
<b>17 DEPRECIATION OF INTANGIBLE AND TANGIBLE ASSETS</b>		
Hardware	<u>13.154</u>	<u>7.747</u>


	<u>2013</u>	<u>2012</u>
	€	€
<b>18 OTHER OPERATING EXPENSES</b>		
Other personnel expenses	29.070	6.279
Housing expenses	65.288	75.874
Selling expenses	33.724	28.105
Car expenses	175.101	166.014
Office expenses	34.213	9.705
General expenses	69.884	45.668
	<u>407.280</u>	<u>331.645</u>
<b>OTHER PERSONNEL EXPENSES</b>		
Canteen expenses	978	165
Recruitment expenses	15.461	140
Commuting expenses	2.740	-
Other	2.831	349
Arbo expenses	728	915
Expense allowance	6.332	4.710
	<u>29.070</u>	<u>6.279</u>
<b>HOUSING EXPENSES</b>		
Rent expenses	43.571	48.116
Service expenses	18.198	26.728
Other housing expenses	1.979	-
Insurance	1.125	1.030
Property tax	415	-
	<u>65.288</u>	<u>75.874</u>
<b>SELLING EXPENSES</b>		
Travelling and hotel expenses	18.910	13.658
Advertising expenses	6.621	7.282
Exchange expenses	6.353	5.210
Representation expenses	1.840	1.955
	<u>33.724</u>	<u>28.105</u>

	<u>2013</u>	<u>2012</u>
	€	€
<b><i>CAR EXPENSES</i></b>		
Rental and lease expenses	132.419	118.154
Fuel expenses	27.708	34.252
VAT private use of the car	11.407	10.530
Re-charged car expenses	-1.181	-1.191
Other car expenses	4.748	4.269
	<u>175.101</u>	<u>166.014</u>
<b><i>OFFICE EXPENSES</i></b>		
IT expenses	15.167	3.399
Telephone expenses	11.254	4.552
Office supplies	7.792	1.754
	<u>34.213</u>	<u>9.705</u>
<b><i>GENERAL EXPENSES</i></b>		
Accounting fee	22.950	14.189
Advisory expenses	8.969	2.419
Auditor's fee	5.380	5.000
Insurance	3.268	8
Bank expenses	965	379
Subscription expenses	43	320
Other general expenses	28.309	23.353
	<u>69.884</u>	<u>45.668</u>
<b><i>19 OTHER INTEREST AND SIMILAR INCOME</i></b>		
Other interest received	809	-
<b><i>20 INTEREST AND SIMILAR EXPENSES</i></b>		
Interest paid on taxes	5.852	2.283
Interest expenses Softline AG	1.863	23.264
	<u>7.715</u>	<u>25.547</u>
<b><i>21 TAXATION</i></b>		
Deferred corporate income tax	-28.378	139.242


Softline Solutions Netherlands B.V.  
Utrecht

04 February 2014

Nieuwegein, 4 February 2014  
Softline Solutions Netherlands B.V.



mr. D. Montanje  
Director



mr. L.J. Meijer  
Director

### 3. OTHER INFORMATION

## **STATEMENT REGARDING THE ABSENCE OF THE AUDITOR'S REPORT**

No audit has been performed in accordance with the statutory size exemption under Article 396, Title 9, Book 2, of the Dutch Civil Code.

## **STATUTORY PROVISION REGARDING APPROPRIATION OF RESULT**

Article 11

1. The profit is at the disposal of the general meeting of shareholders.
2. The company may only distribute profits to shareholders to the extent that that the equity exceeds the paid-up capital plus the reserves required by law or the statutes.
3. Distribution of profits shall take place only after the adoption of the annual accounts showing that distribution is permissible.
4. When calculating the distribution of profits shares held by the company shall be disregarded.
5. The company may make interim distributions, subject to compliance with the Paragraph 2. To make an interim distribution is decided by the general meeting.

## **PROPOSAL RESULTPROCESSING**

The board of directors proposes to appropriate the profit as follows:

The appropriation of profit for the year 2013 in the amount of €158.199 will be added to in full to the other reserves.

This proposal needs to be approved by the General Meeting.



Mazars. Verandert kennis in kansen

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[www.mazars.nl](http://www.mazars.nl)

