

Registered number: 07718565

# **ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**



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# **ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

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## **ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

### **COMPANY INFORMATION**

<b>Directors</b>	P S Martin I R Wolter J J L Young
<b>Registered number</b>	07718565
<b>Registered office</b>	249 Midsummer Boulevard Milton Keynes MK9 1EA
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Exchange House Central Business Exchange Midsummer Boulevard Central Milton Keynes MK9 2DF

## ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their strategic report for Adam HTT Limited ("the company") for the financial year ended 31 March 2016.

#### Business review

It was a successful year for adam HTT Limited. The decision last year to separate out the category agnostic services procurement technology into its own company, adam HTT Limited (formerly Matrix SPS Limited) has allowed management to focus on the success of the adam brand and has allowed it to flourish.

The comparative year in the accounts show 6 months of active business, but even taking this into account the underlying business more than doubled its run-rate revenues and has grown its sums under management exponentially.

There was, of course, an increase in costs in the year, this was more than justified given the short term aim of continuing the group re-structure that started with the splitting out of the business unit in 2014 from Matrix SCM Limited and ended with the re-branding of the business to "adam" and "Human Touch Technology". The results have to be read with this in mind.

The profit before tax in the year of £4,831 is after significant one-off costs of over £250k for re-branding which demonstrates the group had solid and strong underlying profitability once the one-off costs were taken into account.

The company continues to follow the strategy set by the group of focussing on using underlying profits to invest in the future growth of the company through increased spend on IT development and sales.

#### Outlook

The outlook is also very positive. After the year-end, on 20<sup>th</sup> April 2016, the holding company, Dynamic Procurement Holdings Limited, sold its shares in Matrix SCM Limited and Client Directs Limited to its existing management. This was a natural progression from the 2014 split, and has allowed the Dynamic Procurement Holdings management to focus on the continued success of the adam business.

The adam HTT business is growing rapidly as it wins new clients and also expands its role within existing clients. Furthermore, the business is developing and releasing new products to the market, which are complementary to the existing technology, and which we consider will have a significant effect on the revenues and profitability of the group in coming years.

Cash projections are strong with no expected requirement for financing.

The company's operations expose it to a variety of financial risks that include liquidity, interest rate risk and credit risk. The company has in place a risk management programme that seeks to limit potential adverse effects on financial performance by monitoring cash flows and invoicing levels and related finance costs. The company has no currency exposure, nor does it have exposure to equity securities price risk as it holds no listed equity investments. Due to the nature of its clients the company experiences extremely low credit risk. This is continually monitored, however, to ensure that the exposure remains within acceptable limits.

This report was approved by the board on 22 December 2016 and signed on its behalf by:



J J L Young  
Director

## **ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016**

The directors present their report and the audited financial statements for Adam HTT Limited (previously Matrix-SPS Limited) (the "company") for the year ended 31 March 2016. The company changed its name on 31 March 2016.

#### **Principal activity**

The principal activity of the company is the provision of software as a service.

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were:

P S Martin  
I R Wolter  
J J L Young

#### **Financial risk management objectives and policies**

The company's operations expose it to a variety of financial risks that include liquidity, interest rate risk and credit risk. The company has in place a risk management programme that seeks to limit potential adverse effects on financial performance by monitoring cash flow, levels of invoice discounting finance and related finance costs. The company has no currency exposure, nor does it have exposure to equity securities price risk as it holds no listed equity investments.

##### *Liquidity and interest rate risk*

The company actively manages its funding to ensure that sufficient funds are always available for operations. The company has both interest bearing assets and liabilities. These are placed to earn maximum interest whilst also ensuring appropriate flexibility.

##### *Credit risk*

Due to the nature of its clients the company experiences extremely low credit risk. This is continually monitored, however, to ensure that the exposure remains within acceptable limits.

## **ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016**

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

#### **Small companies exemption**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

22 December 2016

and signed on its behalf by:

  
**J. J. L. Young**  
Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

**Report on the financial statements**

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**Our opinion**

In our opinion, Adam HTT Limited (previously Matrix-SPS Limited)'s financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
  - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
  - have been prepared in accordance with the requirements of the Companies Act 2006.
- 

**What we have audited**

The financial statements, included within the Annual Report, comprise:

- the Balance Sheet as at 31 March 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

**Opinion on other matter prescribed by the Companies Act 2006**

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In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**Other matters on which we are required to report by exception**

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**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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**Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

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**Responsibilities for the financial statements and the audit**

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**Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**What an audit of financial statements involves**


We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jonathan Gilpin (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors

Milton Keynes

Date: 22 December 2016



**ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
<b>Turnover and value of services procured and taxes thereon</b>		<b>40,296,054</b>	721,706
Turnover	4	1,920,861	601,422
<b>Gross profit</b>		<b>1,920,861</b>	601,422
Administrative expenses		(1,932,718)	(574,500)
Other operating income	5	6,192	-
<b>Operating (loss)/profit</b>	6	<b>(5,665)</b>	26,922
Interest receivable and similar income	10	10,496	-
<b>Profit on ordinary activities before taxation</b>		<b>4,831</b>	26,922
Tax on profit on ordinary activities	11	6,425	6,100
<b>Profit for the financial year</b>		<b>11,256</b>	33,022
<b>Total comprehensive income for the year</b>		<b>11,256</b>	33,022

The notes on pages 10 to 19 form part of these financial statements.

**ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**  
**REGISTERED NUMBER: 07718565**

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Note	2016 £	2016 £	2015 £	2015 £
<b>Fixed assets</b>					
Tangible assets	12		<b>585,110</b>		226,432
			<u>585,110</u>		<u>226,432</u>
<b>Current assets</b>					
Debtors	13	<b>4,480,152</b>		6,101	
Cash at bank and in hand	14	<b>3,795,974</b>		3,000,000	
		<u>8,276,126</u>		<u>3,006,101</u>	
Creditors: amounts falling due within one year	15	<b>(5,816,957)</b>		(199,510)	
<b>Net current assets</b>			<b>2,459,169</b>		2,806,591
<b>Total assets less current liabilities</b>			<u><b>3,044,279</b></u>		<u>3,033,023</u>
<b>Capital and reserves</b>					
Called up share capital	17		<b>3,000,001</b>		3,000,001
Profit and loss account	18		<b>44,278</b>		33,022
<b>Total shareholders' funds</b>			<u><b>3,044,279</b></u>		<u>3,033,023</u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

22 December 2016 by:

  
**JLL Young**  
 Director

The notes on pages 10 to 19 form part of these financial statements.

**ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2016**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2015	3,000,001	33,022	3,033,023
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	11,256	11,256
<b>Total comprehensive income for the year</b>	-	11,256	11,256
<b>At 31 March 2016</b>	<b>3,000,001</b>	<b>44,278</b>	<b>3,044,279</b>

**FOR THE YEAR ENDED 31 MARCH 2015**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2014	1	-	1
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	33,022	33,022
<b>Total comprehensive income for the year</b>	-	33,022	33,022
Shares issued during the year	3,000,000	-	3,000,000
<b>At 31 March 2015</b>	<b>3,000,001</b>	<b>33,022</b>	<b>3,033,023</b>

The notes on pages 10 to 19 form part of these financial statements.

## **ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016**

#### **1. General information**

Adam HTT Limited (previously Matrix-SPS Limited) (the "company") is engaged in the provision of software as a service. The company changed its name on 31 March 2016.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales.

The address of its registered office is: 249 Midsummer Boulevard, Milton Keynes, MK9 1EA.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 22.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently through the year:

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned [FRS 102 para 33.1A].

This information is included in the consolidated financial statements of Dynamic Procurement Holdings Limited as at 31 March 2016 and these financial statements may be obtained from 249 Midsummer Boulevard, Milton Keynes, MK9 1EA.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**2. Accounting policies (continued)**

**2.3 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Tangible assets**

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 33% straight line
Fixtures & fittings	- 20% - 33% straight line
Computer equipment & software- development	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**2. Accounting policies (continued)**

**2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.7 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.8 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**2. Accounting policies (continued)**

**2.9 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

**2.10 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

There are not considered to be any judgments in applying accounting policies or key sources of estimation uncertainty which materially affect the company.

# ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

### 4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

Revenue and value of services procured and taxes thereon, represent the gross amount receivable for the supply of services to clients, totalling £40,296,054 (2015: £721,706) and taxes thereon of £6,716,009 (2015: £120,284).

All turnover arose within the United Kingdom.

### 5. Other operating income

	2016 £	2015 £
Other operating income	6,192	-

### 6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible assets	32,170	-
Operating lease rentals	52,488	-

### 7. Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	-	5,111

In the current year all fees in respect of audit and other services have been borne by the parent company and not recharged.



**ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**8. Employees**

Staff costs were as follows:

	<b>2016</b> £	<b>2015</b> £
Wages and salaries	<b>751,517</b>	-
Social security costs	<b>85,819</b>	-
Other pension costs	<b>7,248</b>	-
	<b>844,584</b>	-

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2016</b> Number	<b>2015</b> Number
Operations	<b>15</b>	-
Sales	<b>6</b>	-
	<b>21</b>	0

**9. Directors' remuneration**

During the year, no director received any emoluments (2015: £Nil).

**10. Interest receivable and similar income**

	<b>2016</b> £	<b>2015</b> £
Bank interest receivable	<b>10,496</b>	-

**11. Tax on profit on ordinary activities**

	<b>2016</b> £	<b>2015</b> £
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>(6,425)</b>	(6,100)
<b>Total deferred tax</b>	<b>(6,425)</b>	(6,100)
<b>Taxation on profit on ordinary activities</b>	<b>(6,425)</b>	(6,100)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**11. Tax on profit on ordinary activities (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20.0% (2015 - 21.0%). The differences are explained below:

	<b>2016 £</b>	<b>2015 £</b>
Profit on ordinary activities before taxation	<b>4,831</b>	26,922
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.0% (2015 - 21.0%)	<b>966</b>	5,654
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>29</b>	-
Group relief	<b>(7,420)</b>	(11,754)
<b>Total tax credit for the year</b>	<b>(6,425)</b>	(6,100)

**Factors that may affect future tax charges**

The July 2015 Budget Statement announced changes (which were subsequently enacted) to the UK Corporation tax regime which will reduce the main rate of Corporation Tax to 19% from 1 April 2017 and 18% from 1 April 2020. A further change was announced in the March 2016 Budget to further reduce the Corporation Tax rate to 17% by 1 April 2020, which has yet to be substantively enacted.

Accordingly, deferred tax has been calculated using a tax rate of 18%.

**ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**12. Tangible assets**

	Leasehold improvements £	Fixtures & fittings £	Computer equipment & software development £	Total £
<b>Cost or valuation</b>				
At 1 April 2015	-	-	226,432	226,432
Additions	128,765	98,658	163,425	390,848
At 31 March 2016	128,765	98,658	389,857	617,280
<b>Accumulated depreciation</b>				
Charge for the year	2,146	2,778	27,246	32,170
At 31 March 2016	2,146	2,778	27,246	32,170
<b>Net book value</b>				
At 31 March 2016	126,619	95,880	362,611	585,110
At 31 March 2015	-	-	226,432	226,432

**13. Debtors**

	2016 £	2015 £
Trade debtors	2,052,916	-
Amounts owed by group undertakings	-	1
Other debtors	2,414,711	-
Deferred taxation	12,525	6,100
	4,480,152	6,101

Included in other debtors is cash held in Escrow of £2,310,530 (2015: £nil),

**14. Cash at bank and in hand**

	2016 £	2015 £
Cash at bank and in hand	3,795,974	3,000,000

**ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**15. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	5,321,213	-
Amounts owed to group undertakings	229,211	199,510
Accruals and deferred income	266,533	-
	<u>5,816,957</u>	<u>199,510</u>

**16. Deferred taxation**

	2016 £	2015 £
At beginning of year	6,100	-
Charged to the profit	6,425	6,100
<b>At end of year</b>	<u>12,525</u>	<u>6,100</u>

The deferred tax asset is made up as follows:

	2016 £	2015 £
Fixed asset timing differences	<u>12,525</u>	<u>6,100</u>

**17. Called up share capital**

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
3,000,001 (2015: 3,000,001) Ordinary shares of £1 (2015: £1) each	<u>3,000,001</u>	<u>3,000,001</u>

**18. Reserves**

**Profit and loss account**

The profit and loss account represents all net gains and losses and transactions with owners (e.g. dividends) that are not recognised elsewhere.

## ADAM HTT LIMITED (PREVIOUSLY MATRIX-SPS LIMITED)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

#### 19. Pension commitments

The company does not operate a pension scheme but makes defined contributions into personal pension plans for selected employees. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £7,248 (2015: £Nil).

#### 20. Commitments under operating leases

At 31 March 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	52,488	52,488
Later than 1 year and not later than 5 years	209,952	209,952
Later than 5 years	104,976	157,464
	<u>367,416</u>	<u>419,904</u>

#### 21. Controlling party

The immediate and ultimate parent undertaking and controlling party is Dynamic Procurement Holdings Limited, a company incorporated in England and Wales.

Dynamic Procurement Holdings Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 March 2016. The consolidated financial statements of Dynamic Procurement Holdings Limited are available from Companies House.

#### 22. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.