

ADP Employer Services Denmark ApS

c/o Harbour House
Sundkrogsgade 21
2100 København Ø

CVR No. 36051477

Annual Report

1 July 2015 - 30 June 2016

2. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 11 November 2016

Tomas Bohm
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of ADP Employer Services Denmark ApS for the financial year 1 July 2015 - 30 June 2016.

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 assets, liabilities and financial position of the Company at 30 June 2016 and of the results of the Company's operations for the financial year 1 July 2015 - 30 June 2016.

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

The Annual General Meeting of the Company has adopted that the Company's Financial Statements are not to be audited. The conditions for not conducting an audit of the Financial Statement have been met.

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

Copenhagen, 11 November 2016

Executive Board

Todd Michael Horvath
Director

Christoph Olivier Ochsner
Director

Malcolm John Grice
Director

ADP Employer Services Denmark ApS

Company details

Company	ADP Employer Services Denmark ApS c/o Harbour House Sundkrogsgade 21 2100 København Ø
CVR No.	36051477
Date of formation	15 July 2014
Registered office	Copenhagen
Financial year	1 July 2015 - 30 June 2016
Executive Board	Todd Michael Horvath, Director Christoph Olivier Ochsner, Director Malcolm John Grice, Director

Management's Review

The Company's principal activities

The objects of the company are the provision, in Denmark and abroad, of data processing and human resources services, and any other activities which, in the opinion of the executive board, are related hereto.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 July 2015 - 30 June 2016 shows a result of DKK 290.385 and the Balance Sheet at 30 June 2016 a balance sheet total of DKK 2.259.418 and an equity of DKK 139.744.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the Company substantially.

Expectations for the future

The Company expects its operations to develop positively next year.

Accounting Policies

Reporting Class

The Annual Report of ADP Employer Services Denmark ApS for 2015/16 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue to the Company, 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

The accounting value of intangible and tangible assets are examined on a yearly basis to determine if there are any indications of impairment, other than what has been declared by regular depreciations. If this is the case, an impairment will be done to the lowest recoverable value.

Accounting Policies

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Revenue

Income from delivery of services is recognised as revenue as the service is delivered.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding debt and foreign currency transactions as well as surcharges and allowances under the tax repayment scheme.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Accounting Policies

Balance Sheet

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Financial liabilities

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

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Income Statement

	Note	2015/16 kr.	2014/2015 kr.
Gross profit		6.389.888	4.688.680
Employee benefits expense	1	-6.066.894	-4.877.602
Profit from ordinary operating activities		322.994	-188.922
Finance income		3	2
Finance expenses	2	-7.268	-11.721
Profit from ordinary activities before tax		315.729	-200.641
Tax expense on ordinary activities		-25.344	0
Profit		290.385	-200.641
 Proposed distribution of results			
Retained earnings		290.385	-200.641
		290.385	-200.641

ADP Employer Services Denmark ApS

Balance Sheet as of 30. June

	Note	2016 kr.	2015 kr.
Assets			
Short-term receivables from group enterprises		1.707.410	1.391.499
Other short-term receivables		57.396	42.038
Receivables		1.764.806	1.433.537
Cash and cash equivalents		494.612	1.867.681
Current assets		2.259.418	3.301.218
Assets		2.259.418	3.301.218

Balance Sheet as of 30. June

	Note	2016 kr.	2015 kr.
Liabilities and equity			
Contributed capital	3	50.000	50.000
Retained earnings	4	89.744	-200.641
Equity		139.744	-150.641
Payables to group enterprises		0	1.865.630
Tax payables		25.344	0
Long-term liabilities other than provisions		25.344	1.865.630
Short-term part of long-term liabilities other than provisions		0	5.937
Trade payables		126.134	163.614
Other payables		1.968.196	1.416.678
Short-term liabilities other than provisions		2.094.330	1.586.229
Liabilities other than provisions within the business		2.119.674	3.451.859
Liabilities and equity		2.259.418	3.301.218
Related parties	5		

Notes

	2015/16	2014/2015
1. Employee benefits expense		
Wages and salaries	5.653.978	4.592.021
Post-employment benefit expense	381.308	263.205
Social security contributions	31.608	22.376
	<u>6.066.894</u>	<u>4.877.602</u>
2. Finance expenses		
Finance expenses arising from group enterprises	7.268	5.922
Other finance expenses	0	5.799
	<u>7.268</u>	<u>11.721</u>
3. Contributed capital		
Additions during the year	50.000	50.000
Balance at the end of the year	<u>50.000</u>	<u>50.000</u>
There are 500 shares with a nominal value of DKK 100 for each. No shares carry any special rights.		
4. Retained earnings		
Balance at the beginning of the year	-200.641	0
Additions during the year	290.385	-200.641
Balance at the end of the year	<u>89.744</u>	<u>-200.641</u>
5. Related parties		

The largest and smallest group, in which these financial statements of the company are consolidated, are those of ADP Roseland Inc. The registered office of ADP Roseland Inc., One ADP Boulevard, Roseland, New Jersey 07068 USA.