

Registration number: 06830214

Incessant Technologies (UK) Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2019

Kajaine Limited
Statutory Auditors
Kajaine House
57-67 High Street
Edgware
HA8 7DD

Incessant Technologies (UK) Limited

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Incessant Technologies (UK) Limited

Company Information

Directors Mr Madan Mohan
Mr Arunbir Singh Soin
Mr Arvind Thakur

Registered office Kajaine House
57-67 High Street
Edgware
HA8 7DD

Auditors Kajaine Limited
Statutory Auditors
Kajaine House
57-67 High Street
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HA8 7DD

Incessant Technologies (UK) Limited

Strategic Report for the Year Ended 31 March 2019

The directors present their strategic report for the year ended 31 March 2019.

Principal activity

The principal activity of the company is that of provision of software solutions, consultancy services and solutions in business process management (BPM) to the banking and insurance industry.

Fair review of the business

Incessant Technologies (UK) Limited helps global organizations realize their digital integration goals through the agile delivery of enterprise iBPM solutions. The company's BPM Practice has unmatched certification levels in the industry, thereby providing highly experienced teams on customer engagements.

Incessant Technologies (UK) Limited is the largest niche global BPM services vendor, specializing only in this field. Our focus is 100% on two technology platforms; Pega & Appian. The company provides services in Application Development and Maintenance, Testing, Enterprise solutions and package implementation, application managed services and systems integrations to the organisations based in UK and rest of the world.

The revenue profile of the company is diversified across the main domains of Banking, Financial Services (BFS), Insurance and Public Sector. The UK economy has held up remarkably well after the 'Vote to Leave the European Union'. Businesses have worked around the uncertainties surrounding Brexit. The company has shown a marginal increase in its turnover in the current financial year primarily due to scaling up of one of a large program in its existing customer/account. The company has gained new direct and indirect clients this year in BFS, Insurance and Professional Services. The company aggressively strives to grow its existing portfolio and increase its footprint in the areas of Robotics Process Automation (RPA), Decisioning and Analytics, Digital Transformation and Automation Testing.

The results of the company show profit on activities before taxation of £4,336,663 (2018: £2,060,450) for the year and turnover of £20,715,146 (2018: £ 11,424,964). Profit on ordinary activities before taxation is higher compared to previous year. Operating margins have increased when compared to previous years. This is attributed to winning of new logo in Legal & General Management and expansion of existing client projects such as HMRC, AA, QBE Management Services, Tokio Marine HCC, Appian etc.. The net assets of the company are £4,787,811 (2018: £4,377,014).

Principal risks and uncertainties

The impact of Brexit on the technology services sector is uncertain. The management of the company foresee a risk associated with potential changes to the immigration regulations that could impact sourcing skills from within and outside of the UK.

Competition from national, offshore and multinational vendors, employee retention and resilience of the UK economy could be the key risk areas that can cause uncertainty. The company also views these as considerable risk areas that could impact revenue and is striving to expand its customer base to mitigate this. The company has focused on enhancing its sales and client services teams with the view of enhancing relationships with new and existing customers.

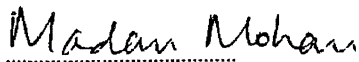
Incessant Technologies (UK) Limited

Strategic Report for the Year Ended 31 March 2019

Key Performance Indicators

Given the nature of our business, the company's directors are of the opinion that analysis using key performance indicators is currently not necessary to understand the position or performance of the business. Turnover and profit on ordinary activities before taxation as presented in the business review are the key measures considered by the directors.

Approved by the Board on 30 April 2019 and signed on its behalf by:



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Mr Madan Mohan
Director

Incessant Technologies (UK) Limited

Directors' Report for the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors of the company

The directors who held office during the year were as follows:

Mr Madan Mohan (appointed 1 June 2018)

Mr Arunbir Singh Soin

Mr Arvind Thakur

Mr Vijay Madduri (resigned 31 May 2018)

Dividends

During the reporting period, the company paid an interim dividend to NIIT Incessant Private Limited of £3,100,000 at the rate of £3,100 per share (2018: £Nil).

Future developments

The strategy of Incessant Technologies (UK) Limited is to continue to build a strong differentiation in its offerings by remaining focused in the chosen verticals and emerging technologies in Digital Process Automation and cognitive process management technologies focusing predominantly on banking, financial and insurance domains.

The external business environment is expected to remain challenging in the UK for 2019-20 as national, offshore and multinational organisations continue to invest and compete for business in the focused vertical. The uncertainty around Brexit will linger until the UK reaches a trade deal with the European Union. The company remains confident that it will achieve a higher level of growth in the coming year by growing the existing accounts as well as acquiring new clients in the focused verticals. The focus will be to continue to acquire customers in digital transformation offerings, further consolidating our position in BFSI domain, make in-roads into the UK government sector which has started to open up for a more cost efficient IT service delivery and also to take advantage of the broader investment across sectors in the digital technology.

Post Balance sheet events

There have no significant events affecting the company since the year end date.

Financial instruments

Financial risk management

The company's operations expose it to limited financial risks that include price risk, credit risk, liquidity risk, foreign currency exchange rate risk and interest rate cash flow risk.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The company's finance department implement policies set by the board of directors.

Incessant Technologies (UK) Limited

Directors' Report for the Year Ended 31 March 2019

Price risk, credit risk, liquidity risk and cash flow risk

Price risk

Due to the nature of its business, the company is not exposed to any major price risks. Due consideration is given for annual salary increases in line with the growth in business in terms of both price and volumes inter dependent on contract negotiations.

Credit risk

Credit risk refers to the risk of default on its obligation by the counter party. During the reporting period, there has not been any provision for doubtful debts (2018: £Nil). There were no bad debts during the year (2018: £Nil).

Liquidity risk

Proactive receivables management results in a favourable working capital position. Management continues its focus in this area.

Interest rate and cash flow risk

During the reporting period, the company has not availed of working capital loan facility considering its comfortable cash position.

Foreign currency exchange rate risk

Management is aware of the volatility in foreign currency fluctuation and will put in place measures to minimise the risks if this continues.

Qualifying third party indemnity provisions

The directors and officers of the company are covered by the corporate directors and officers liability insurance policy. This is in force at the balance sheet date and also at the date of signing of the financial statements.

Employee involvement

The company is also committed to provide employees with information on matters of concern to them on a regular basis, so that the view of the employees can be taken into account when making decisions that are likely to affect their interest. Employee involvement in the company is encouraged to achieve a common awareness of the financial and economic factors affecting the company in addition, the company encourages the involvement of employees by employee satisfaction surveys, focus group discussions and 360-degree feedback mechanism.

Approved by the Board on 30 April 2019 and signed on its behalf by:



Mr Madan Mohan
Director

Incessant Technologies (UK) Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Incessant Technologies (UK) Limited

Independent Auditor's Report to the Members of Incessant Technologies (UK) Limited

Opinion

We have audited the financial statements of Incessant Technologies (UK) Limited (the 'company') for the year ended 31 March 2019, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Incessant Technologies (UK) Limited

Independent Auditor's Report to the Members of Incessant Technologies (UK) Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

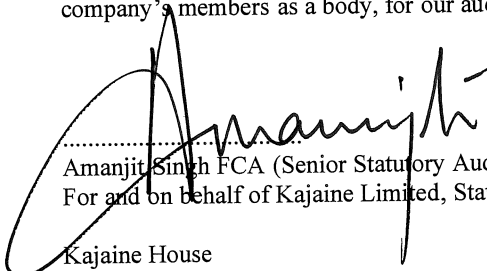
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Incessant Technologies (UK) Limited

Independent Auditor's Report to the Members of Incessant Technologies (UK) Limited

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Amanjit Singh FCA (Senior Statutory Auditor)
For and on behalf of Kajaine Limited, Statutory Auditor

Kajaine House
57-67 High Street
Edgware
HA8 7DD

30 April 2019

Incessant Technologies (UK) Limited

Profit and Loss Account for the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover	3	20,715,146	11,424,964
Cost of sales		<u>(14,462,604)</u>	<u>(8,200,005)</u>
Gross profit		6,252,542	3,224,959
Administrative expenses		(1,916,004)	(1,230,702)
Other operating income	4	<u>-</u>	<u>66,193</u>
Operating profit	5	<u>4,336,538</u>	<u>2,060,450</u>
Other interest receivable and similar income	6	<u>125</u>	<u>-</u>
		<u>125</u>	<u>-</u>
Profit before tax		4,336,663	2,060,450
Taxation	9	<u>(825,866)</u>	<u>(392,782)</u>
Profit for the financial year		<u><u>3,510,797</u></u>	<u><u>1,667,668</u></u>

The notes on pages 14 to 21 form an integral part of these financial statements.

Incessant Technologies (UK) Limited

Statement of Comprehensive Income for the Year Ended 31 March 2019

	2019 £	2018 £
Profit for the year	<u>3,510,797</u>	<u>1,667,668</u>
Total comprehensive income for the year	<u><u>3,510,797</u></u>	<u><u>1,667,668</u></u>

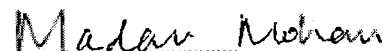
Incessant Technologies (UK) Limited

**(Registration number: 06830214)
Balance Sheet as at 31 March 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	44,244	48,293
Current assets			
Debtors	11	4,763,221	4,065,606
Cash at bank and in hand	12	<u>2,882,155</u>	<u>2,768,325</u>
		7,645,376	6,833,931
Creditors: Amounts falling due within one year	13	<u>(2,901,809)</u>	<u>(2,505,210)</u>
Net current assets		<u>4,743,567</u>	<u>4,328,721</u>
Net assets		<u>4,787,811</u>	<u>4,377,014</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account		<u>4,786,811</u>	<u>4,376,014</u>
Total equity		<u>4,787,811</u>	<u>4,377,014</u>

Under the Companies Act 2006, Section 454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

Approved and authorised by the Board on 30 April 2019 and signed on its behalf by:



Mr Madan Mohan
Director

Incessant Technologies (UK) Limited

Statement of Changes in Equity for the Year Ended 31 March 2019

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2017	1,000	2,708,346	2,709,346
Profit for the year	-	1,667,668	1,667,668
Total comprehensive income	-	1,667,668	1,667,668
At 31 March 2018	<u>1,000</u>	<u>4,376,014</u>	<u>4,377,014</u>
	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2018	1,000	4,376,014	4,377,014
Profit for the year	-	3,510,797	3,510,797
Total comprehensive income	-	3,510,797	3,510,797
Dividends	-	(3,100,000)	(3,100,000)
At 31 March 2019	<u>1,000</u>	<u>4,786,811</u>	<u>4,787,811</u>

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Kajaine House
57-67 High Street
Edgware
HA8 7DD
United Kingdom

These financial statements were authorised for issue by the Board on 30 April 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity and its ultimate parent company, NIIT Technologies Limited, includes these in its own consolidated financial statements:

- the requirement to prepare a statement of cash flows;
- certain financial instrument disclosures;
- the non-disclosure of key management personnel compensation in total.

The functional and presentational currency is GBP Sterling (£), being the currency of the primary economic environment in which the company operates in.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	Straight line over 5 years
Computer equipment	Straight line over 2-5 years
Fixtures and fittings	Straight line over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds both basic and non-basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, trade and other creditors, loan and other borrowings and equity investments.

The company has applied the measurement and recognition provisions of Section 11 Basic Financial Instruments in full for the basic financial instruments.

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2019	2018
	£	£
Rendering of services	<u>20,715,146</u>	<u>11,424,964</u>

The analysis of the company's turnover for the year by market is as follows:

	2019	2018
	£	£
UK	19,427,383	11,092,202
Europe	835,543	332,762
Rest of world	<u>452,220</u>	<u>-</u>
	<u>20,715,146</u>	<u>11,424,964</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2019	2018
	£	£
Miscellaneous other operating income	<u>-</u>	<u>66,193</u>

5 Operating profit

Arrived at after charging/(crediting)

	2019	2018
	£	£
Depreciation expense	13,836	9,067
Foreign exchange losses	27,763	17,830
Professional and consultancy fees	1,480,510	800,498
Operating lease expense - Land and buildings	142,398	133,103
Profit on disposal of property, plant and equipment	<u>(242)</u>	<u>-</u>

6 Other interest receivable and similar income

	2019	2018
	£	£
Interest income on bank deposits	<u>125</u>	<u>-</u>

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019	2018
	£	£
Wages and salaries	5,596,728	3,041,114
Social security costs	445,706	259,177
Other short-term employee benefits	24,097	35,786
Pension costs, defined contribution scheme	9,632	-
Other employee expense	244,007	64,155
	<u>6,320,170</u>	<u>3,400,232</u>

The average monthly number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019	2018
	No.	No.
Consultancy	95	47
Sales	4	4
Administration	2	2
	<u>101</u>	<u>53</u>

8 Auditors' remuneration

	2019	2018
	£	£
Audit of the financial statements	7,000	7,000
Other fees to auditors		
All other non-audit services	14,480	13,675

9 Taxation

Tax charged/(credited) in the income statement

	2019	2018
	£	£
Current taxation		
UK corporation tax	825,866	392,782

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2018 - the same as the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

	2019 £	2018 £
Profit before tax	<u>4,336,663</u>	<u>2,060,450</u>
Corporation tax at standard rate	823,966	391,486
Effect of expense not deductible in determining taxable profit (tax loss)	(46)	8
Tax increase from effect of capital allowances and depreciation	<u>1,946</u>	<u>1,288</u>
Total tax charge	<u>825,866</u>	<u>392,782</u>

10 Tangible assets

	Fixtures and fittings £	Computer and office equipment £	Total £
Cost or valuation			
At 1 April 2018	29,837	33,693	63,530
Additions	-	10,478	10,478
Disposals	-	(932)	(932)
At 31 March 2019	<u>29,837</u>	<u>43,239</u>	<u>73,076</u>
Depreciation			
At 1 April 2018	5,113	10,124	15,237
Charge for the year	2,984	10,853	13,837
Eliminated on disposal	-	(242)	(242)
At 31 March 2019	<u>8,097</u>	<u>20,735</u>	<u>28,832</u>
Carrying amount			
At 31 March 2019	<u>21,740</u>	<u>22,504</u>	<u>44,244</u>
At 31 March 2018	<u>24,724</u>	<u>23,569</u>	<u>48,293</u>

11 Debtors

	Note	2019 £	2018 £
Trade debtors		3,580,843	2,684,800
Amounts owed by group undertakings	18	700,622	1,086,893
Other debtors		51,658	27,291
Prepayments		40,804	46,777
Accrued income		<u>389,294</u>	<u>219,845</u>
Total current trade and other debtors		<u>4,763,221</u>	<u>4,065,606</u>

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

12 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>2,882,155</u>	<u>2,768,325</u>

13 Creditors

	Note	2019 £	2018 £
Due within one year			
Trade creditors		28,495	4,077
Amounts owed to group undertakings	18	1,107,996	1,087,818
Social security and other taxes		900,946	641,493
Other payables		5,966	-
Accrued expenses		417,114	532,894
Corporation tax payable	9	<u>441,292</u>	<u>238,928</u>
		<u>2,901,809</u>	<u>2,505,210</u>

14 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £9,632 (2018: £Nil).

15 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Incessant Technologies (UK) Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

16 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	14,202	56,810
Later than one year and not later than five years	-	14,202
	<u>14,202</u>	<u>71,012</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2018 - £Nil).

17 Dividends

	2019 £	2018 £
Interim dividend of £3,100.00 (2018 - £Nil) per ordinary share	<u>3,100,000</u>	-

18 Related party transactions

Summary of transactions with other related parties

The company has taken advantage of the exemptions available in FRS 102 from disclosing related party transactions with other companies that are wholly owned within the group.

19 Parent and ultimate parent undertaking

The company's immediate parent is NIIT Incessant Private Limited (formerly Incessant Technologies Private Limited), incorporated in India.

The most senior parent entity producing publicly available financial statements is NIIT Technologies Limited. These financial statements are available upon request from:

NIIT Technologies Limited
Corporate Heights (Tapasya)
Plot No 5, EFGH
Sector 126
Noida-201301
Uttar Pradesh
India

The ultimate controlling party is NIIT Technologies Limited.

Incessant Technologies (UK) Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2019

	2019 £	2018 £
Turnover (analysed below)	20,715,146	11,424,964
Cost of sales (analysed below)	<u>(14,462,604)</u>	<u>(8,200,005)</u>
Gross profit	<u>6,252,542</u>	<u>3,224,959</u>
Gross profit (%)	30.18%	28.23%
Administrative expenses		
Employment costs (analysed below)	(946,568)	(659,331)
Establishment costs (analysed below)	(13,125)	(10,059)
General administrative expenses (analysed below)	(933,597)	(545,319)
Finance charges (analysed below)	(9,120)	(6,926)
Depreciation costs (analysed below)	(13,836)	(9,067)
Other expenses (analysed below)	<u>242</u>	<u>-</u>
	(1,916,004)	(1,230,702)
Other operating income (analysed below)	<u>-</u>	<u>66,193</u>
Operating profit	4,336,538	2,060,450
Other interest receivable and similar income (analysed below)	<u>125</u>	<u>-</u>
Profit before tax	<u><u>4,336,663</u></u>	<u><u>2,060,450</u></u>

Incessant Technologies (UK) Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2019

	2019 £	2018 £
Turnover		
Rendering of services, UK	19,427,383	11,092,202
Rendering of services, Europe	835,543	332,762
Rendering of services, Rest of world	452,220	-
	<u>20,715,146</u>	<u>11,424,964</u>
Cost of sales		
Direct costs	(7,063,502)	(4,297,239)
Wages and salaries (excluding directors)	(5,059,389)	(2,588,618)
Staff NIC (Employers)	(314,213)	(152,283)
Professional and consultancy fees	(1,480,510)	(800,498)
Commissions payable	(544,990)	(361,367)
	<u>(14,462,604)</u>	<u>(8,200,005)</u>
Employment costs		
Wages and salaries (excluding directors)	(537,339)	(452,496)
Staff NIC (Employers)	(131,493)	(106,894)
Staff pensions (Defined contribution)	(9,632)	-
Private health insurance	(24,097)	(35,786)
Staff training	(3,787)	(4,224)
Staff welfare	(240,220)	(59,931)
	<u>(946,568)</u>	<u>(659,331)</u>
Establishment costs		
Insurance	(13,125)	(10,059)
General administrative expenses		
Repairs and maintenance	(4,317)	(489)
Telephone and fax	(12,229)	(11,777)
Printing, postage and stationery	(5,162)	(2,845)
Recruitment fees	(71,244)	(35,078)
Trade subscriptions	(8)	(280)
Charitable donations	-	(1,000)
Land and building - operating leases	(142,398)	(133,103)
Sundry expenses	(6,785)	(8,739)
Travel and subsistence	(306,287)	(169,973)
Promotional expenses	(137,270)	(85,852)
Customer entertaining	(4,631)	(1,014)
Accountancy fees	-	(8,362)
Auditor's remuneration	(7,000)	(7,000)
Auditors' remuneration - non audit work	(14,480)	(13,675)
Legal and professional fees	(194,023)	(48,302)
Foreign currency (gains)/losses - operating expense	(27,763)	(17,830)

This page does not form part of the statutory financial statements.

Incessant Technologies (UK) Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2019

	2019 £	2018 £
	<u>(933,597)</u>	<u>(545,319)</u>
Finance charges		
Bank charges	<u>(9,120)</u>	<u>(6,926)</u>
Depreciation costs		
Depreciation of fixtures and fittings (owned)	(2,983)	(2,984)
Depreciation of office equipment (owned)	<u>(10,853)</u>	<u>(6,083)</u>
	<u>(13,836)</u>	<u>(9,067)</u>
Other expenses		
(Profit)/loss on disposal of tangible fixed assets	<u>242</u>	<u>-</u>
Other operating income		
Other operating income	<u>-</u>	<u>66,193</u>
Other interest receivable and similar income		
Bank interest receivable	<u>125</u>	<u>-</u>