

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**  
**FOR**  
**SAKSOFT SOLUTIONS LIMITED**

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**SAKSOFT SOLUTIONS LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2019**

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**SAKSOFT SOLUTIONS LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**DIRECTORS:** A Krishna  
N Ganeriwala

**SECRETARY:** S Muthukrishnan

**REGISTERED OFFICE:** Applicon House  
Exchange Street  
Stockport  
SK3 0EY

**REGISTERED NUMBER:** 05936122 (England and Wales)

**AUDITORS:** Butler & Co LLP  
Chartered Accountants  
& Statutory Auditor  
Third Floor  
176-134 Baker Street  
London  
W1U 6UE

## **SAKSOFT SOLUTIONS LIMITED**

### **GROUP STRATEGIC REPORT** **FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report of the company and the group for the year ended 31 March 2019.

#### **REVIEW OF BUSINESS**

The directors of the company wish to report that there has been consistent growth in the group's revenue during the year. The Company has added new accounts in the current year which has resulted in the increase in revenues. The company strives to be a strategic fit in the Group's focus on onshore delivery model. The Group's strategic focus on its stronghold Public Sector vertical through bid approach and plans to harness the synergy of the groups delivery capabilities have provided a fillip to the sales campaigns.

The group is optimistic of achieving further additions to the revenues. The group's continuous thrust on value propositions and cost effective global delivery model will help it to meet customer requirements. The Group's re-positioning as a preferred digital transformation partner and sustained efforts to help customers to shift to digital technology and achieve operational efficiency has shown traction in Customer interest.

The Company was primarily set up as a Special Purpose Vehicle for acquiring the Acuma Group. The Company continues to lend solid support to its flagship UK subsidiary and contribute to its growth. The Company commenced trading activities of its own in the recent past and continues to provide services to clients in the UK and across the industry. The Company aims to add new customers in the coming years and grow its revenue base.

The key financial results of the subsidiaries are as below:

#### **Acuma Solutions Limited**

The profits/(loss) for the year amounted to £581,856 [2018: £(491,893)].

#### **Acuma Software Limited**

The company was dormant throughout the current year and previous year. An application to strike-off has been made.

**SAKSOFT SOLUTIONS LIMITED**

**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The group's financial instruments comprise cash and liquid resources, balances with group undertakings and various items such as trade debtors, trade creditors etc, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations. It is, and has been throughout the period under review, the group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the group's financial instruments are interest rate risk, liquidity risk and foreign currency risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

**Interest rate risk**

The group's interest rate risk exists in an interest- bearing assets, such as an overdraft and loan, due to the possibility of a change in the value resulting from the variability of interest rates. The group manages its interest rate risk by trying to avoid on banking finance as far as possible and considering repaying the liability as it falls due and primarily relying on its own generated income and group supports.

**Foreign currency Risk**

The group is exposed to foreign currency risks arising from sales or purchases by businesses in currencies other than its functional currency. The group manages this risk by operating its business transaction from different currencies bank account. The group doesn't involve with hedging instrument as it is not cost/benefit at current level risk. However the company is evaluating exposures to Forward instruments to mitigate this risk.

**Credit Risk**

The Group is exposed to credit-related losses in the event of non-performance by its clients counterpart's to financial instruments ie; debtors balances, but does not currently expect any counterpart's to fail to meet their obligations. Credit risk is mitigated by the Board approved policy of only selecting counterpart's with a good standing and strong credit reference.

**Liquidity risk**

The Group currently maintains credit facilities of at least £200,000 to ensure it has sufficient available funds for operations and planned development. The principal revolving credit facility is reviewed every year. At the balance sheet date the Group had the following undrawn credit facilities:

- 1) Overdraft facility: £400,000,
- 2) Foreign Exchange marginal risk facility: £150,000, and
- 3) Credit Card facility: £30,000.

**ON BEHALF OF THE BOARD:**



.....  
A Krishna - Director

Date: 23 MAY 2019

## **SAKSOFT SOLUTIONS LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 MARCH 2019**

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

#### **PRINCIPAL ACTIVITY**

The principal activities of the company during the year under review were those of specialist digital transformation service provider focused on information management and those of an investment holding company.

The company continues to work with leading customers and industry players. The company's profits have grown steadily and the management is keen to build on the growth momentum. Customer specific delivery strategies have been drawn up to target and win more businesses and increase the revenues.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2019.

The directors have not recommended a dividend for the year ended 31st March 2019.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

A Krishna  
N Ganeriwala

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**SAKSOFT SOLUTIONS LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**AUDITORS**

The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
A Krishna - Director

Date: 23 MAY 2019

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SAKSOFT SOLUTIONS LIMITED**

**Opinion**

We have audited the financial statements of Saksoft Solutions Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 31 March 2019 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group'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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

**Opinion on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SAKSOFT SOLUTIONS LIMITED**

**Matters on which we are required to report by exception**

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

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Directors' Responsibilities Statement set out on page four, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 a Report of the Auditors 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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 a Report of the Auditors 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.

Sanjeev Phadke (Senior Statutory Auditor)  
for and on behalf of Butler & Co LLP  
Chartered Accountants  
& Statutory Auditor  
Third Floor  
126-134 Baker Street  
London  
W1U 6UE



Date: 23<sup>rd</sup> May 2019

**SAKSOFT SOLUTIONS LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	3	11,237,695	10,541,686
Cost of sales		<u>8,323,962</u>	<u>7,577,273</u>
<b>GROSS PROFIT</b>		2,913,733	2,964,413
Administrative expenses		<u>2,267,673</u>	<u>2,235,703</u>
<b>OPERATING PROFIT</b>	5	646,060	728,710
Interest receivable and similar income		<u>12,510</u>	<u>2,725</u>
<b>PROFIT BEFORE TAXATION</b>		658,570	731,435
Tax on profit	7	<u>26,668</u>	<u>15,268</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		631,902	716,167
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>631,902</u>	<u>716,167</u>
Profit attributable to: Owners of the parent		<u>631,902</u>	<u>716,167</u>
Total comprehensive income attributable to: Owners of the parent		<u>631,902</u>	<u>716,167</u>

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED (REGISTERED NUMBER: 05936122)**

**CONSOLIDATED BALANCE SHEET  
31 MARCH 2019**

	Notes	2019		2018	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		32,467		56,818
Investments	10		<u>-</u>		<u>-</u>
			32,467		56,818
<b>CURRENT ASSETS</b>					
Debtors	11	1,128,593		3,607,679	
Cash at bank and in hand		<u>937,247</u>		<u>1,043,484</u>	
		5,065,840		4,651,163	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>4,187,857</u>		<u>4,053,418</u>	
<b>NET CURRENT ASSETS</b>			<u>877,983</u>		<u>597,745</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			910,450		654,563
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		<u>-</u>		<u>376,015</u>
<b>NET ASSETS</b>			<u>910,450</u>		<u>278,548</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		5,001,000		5,001,000
Retained earnings	17		<u>(4,090,550)</u>		<u>(4,722,452)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>910,450</u>		<u>278,548</u>

The financial statements were authorised for issue by the Board of Directors on 23 MAY 2019 and were signed on its behalf by:



A Krishna - Director

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED (REGISTERED NUMBER: 05936122)**

**COMPANY BALANCE SHEET**  
**31 MARCH 2019**

	Notes	2019		2018	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		-		-
Investments	10		<u>11,103,754</u>		<u>11,103,754</u>
			11,103,754		11,103,754
<b>CURRENT ASSETS</b>					
Debtors	11	115,849		3,268	
Cash at bank		<u>80,770</u>		<u>107,131</u>	
		196,619		110,399	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>70,712</u>		<u>50,042</u>	
<b>NET CURRENT ASSETS</b>			<u>125,907</u>		<u>60,357</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,229,661		11,164,111
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		<u>2,461,943</u>		<u>2,446,440</u>
<b>NET ASSETS</b>			<u>8,767,718</u>		<u>8,717,671</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		5,001,000		5,001,000
Retained earnings	17		<u>3,766,718</u>		<u>3,716,671</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>8,767,718</u>		<u>8,717,671</u>
Company's profit for the financial year			<u>50,047</u>		<u>19,913</u>

The financial statements were approved by the Board of Directors on 23 May 2019..... and were signed on its behalf by:



.....  
Director

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2017</b>	5,001,000	(5,438,619)	(437,619)
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>716,167</u>	<u>716,167</u>
<b>Balance at 31 March 2018</b>	<u>5,001,000</u>	<u>(4,722,452)</u>	<u>278,548</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>631,902</u>	<u>631,902</u>
<b>Balance at 31 March 2019</b>	<u><u>5,001,000</u></u>	<u><u>(4,090,550)</u></u>	<u><u>910,450</u></u>

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2017</b>	5,001,000	3,696,758	8,697,758
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>19,913</u>	<u>19,913</u>
<b>Balance at 31 March 2018</b>	<u>5,001,000</u>	<u>3,716,671</u>	<u>8,717,671</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>50,047</u>	<u>50,047</u>
<b>Balance at 31 March 2019</b>	<u><u>5,001,000</u></u>	<u><u>3,766,718</u></u>	<u><u>8,767,718</u></u>

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(98,211)	475,431
Tax paid		<u>(18,831)</u>	<u>(33,456)</u>
Net cash from operating activities		<u>(117,042)</u>	<u>441,975</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,705)	-
Interest received		<u>12,510</u>	<u>2,725</u>
Net cash from investing activities		<u>10,805</u>	<u>2,725</u>
		<u>                    </u>	<u>                    </u>
<b>(Decrease)/Increase in cash and cash equivalents</b>		<b>(106,237)</b>	<b>444,700</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>1,043,484</b>	<b>598,784</b>
		<u>                    </u>	<u>                    </u>
<b>Cash and cash equivalents at end of year</b>	2	<b><u>937,247</u></b>	<b><u>1,043,484</u></b>

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2019****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	658,570	731,435
Depreciation charges	26,056	31,223
Group balances	(126,663)	(907,424)
Finance income	<u>(12,510)</u>	<u>(2,725)</u>
	545,453	(147,491)
(Increase)/decrease in trade and other debtors	(297,143)	264,884
(Decrease)/increase in trade and other creditors	<u>(136,239)</u>	<u>353,040</u>
<b>Cash generated from operations</b>	<u><u>(98,211)</u></u>	<u><u>475,431</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2019**

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	<u>937,247</u>	<u>1,043,484</u>

**Year ended 31 March 2018**

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	<u>1,043,484</u>	<u>598,784</u>

The notes form part of these financial statements



## SAKSOFT SOLUTIONS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 1. STATUTORY INFORMATION

Saksoft Solutions Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all subsidiary undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

##### **Financial Reporting framework**

The financial statements of the parent company and each of its subsidiary undertakings are prepared using the same financial reporting frameworks.

##### **Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

## **SAKSOFT SOLUTIONS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 MARCH 2019**

#### **2. ACCOUNTING POLICIES - continued**

##### **Turnover**

The turnover represents net sales of IT software, consultancy, support and training to third party customers, excluding VAT, and is predominately attributable to ordinary activities carried out in the UK.

##### **Sales recognition**

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax or duty. The following criteria must also be met before revenue is recognised.

##### **Sale of software and hardware**

Revenue from the sale of software and hardware is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of goods.

##### **Rendering of services**

Revenue from the provision of services is recognised by reference to the stage of completion for fixed price projects. Stage of completion is measured by reference to project days incurred to date as a percentage of total estimated project days for each contract. Revenue from time and materials contracts is recognised as the services are rendered.

##### **Goodwill and amortisation**

Goodwill arising on acquisitions representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on straight line basis over its useful economic life, up to a maximum 10 years. In estimating the useful economic life of goodwill account has been taken of the nature of the business acquired and the period over which the value of the business will remain in excess of its tangible net assets. Goodwill is reviewed for impairment at the end of the first full year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

##### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

##### **Tangible fixed assets**

All tangible fixed assets are initially recorded at cost, which includes any expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the assets concerned which is considered to be:

Short leasehold	-Life of lease
Fixtures & fittings	-5 years
Computer equipment	-2 years

Fixed Assets costing £ 500 or less are written off in full in the year in which they are acquired.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

##### **Current assets**

Current Assets are valued at lower of cost and Net realisable value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit/loss.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**Operating lease**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Going concern**

After making all appropriate enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence and there is no any known material uncertainties related to event or conditions that may cast significant doubt on the group's ability to continue in the foreseeable future. The directors believe that it is therefore appropriate to prepare the financial statements on a going concern basis.

**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019****3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2019	2018
	£	£
United Kingdom	11,149,624	10,504,133
Europe	<u>88,071</u>	<u>37,553</u>
	<u>11,237,695</u>	<u>10,541,686</u>

**4. EMPLOYEES AND DIRECTORS**

	2019	2018
	£	£
Wages and salaries	1,465,015	1,383,948
Social security costs	170,466	173,026
Other pension costs	<u>66,717</u>	<u>69,516</u>
	<u>1,702,198</u>	<u>1,626,490</u>

The average number of employees during the year was as follows:

	2019	2018
Sales and Marketing	5	5
Consulting	18	12
Support	<u>4</u>	<u>4</u>
	<u>27</u>	<u>21</u>

	2019	2018
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

**5. OPERATING PROFIT**

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

	2019	2018
	£	£
Depreciation - owned assets	26,056	31,224
Foreign exchange differences	<u>12,421</u>	<u>(5,564)</u>

**6. AUDITORS' REMUNERATION**

	2019	2018
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	20,600	15,900
Auditors' remuneration for non audit work	<u>7,843</u>	<u>4,501</u>

**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	<u>26,668</u>	<u>15,268</u>
Tax on profit	<u>26,668</u>	<u>15,268</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£	£
Profit before tax	<u>658,570</u>	<u>731,435</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	125,128	138,973
Effects of:		
Expenses not deductible for tax purposes	14,038	437
Depreciation in excess of capital allowances	188	551
Utilisation of tax losses	(112,686)	(124,693)
Total tax charge	<u>26,668</u>	<u>15,268</u>

**8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019****9. TANGIBLE FIXED ASSETS**

<b>Group</b>				
	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2018	47,751	7,360	493,436	548,547
Additions	<u>-</u>	<u>-</u>	<u>1,705</u>	<u>1,705</u>
At 31 March 2019	<u>47,751</u>	<u>7,360</u>	<u>495,141</u>	<u>550,252</u>
<b>DEPRECIATION</b>				
At 1 April 2018	11,669	1,661	478,399	491,729
Charge for year	<u>9,551</u>	<u>1,471</u>	<u>15,034</u>	<u>26,056</u>
At 31 March 2019	<u>21,220</u>	<u>3,132</u>	<u>493,433</u>	<u>517,785</u>
<b>NET BOOK VALUE</b>				
At 31 March 2019	<u>26,531</u>	<u>4,228</u>	<u>1,708</u>	<u>32,467</u>
At 31 March 2018	<u>36,082</u>	<u>5,699</u>	<u>15,037</u>	<u>56,818</u>

**10. FIXED ASSET INVESTMENTS**

<b>Company</b>	
	Shares in group undertakings £
<b>COST</b>	
At 1 April 2018 and 31 March 2019	<u>11,103,754</u>
<b>NET BOOK VALUE</b>	
At 31 March 2019	<u>11,103,754</u>
At 31 March 2018	<u>11,103,754</u>

**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**10. FIXED ASSET INVESTMENTS - continued**

**Investments**

**Company**

Cost	£
At 1 April 2018 and 31 March 2019	<u>11,103,754</u>

Details of the investments in which the company (unless indicated) holds 20% or more of the nominal value of any class of share capital are as follows:

Subsidiary undertakings	Type	Country of incorporation	Nominal value held £	Proportion of total voting rights %	Nature of business
Acuma Solutions Ltd	Ordinary shares	United Kingdom	3,055,000	100	Special system integrator

Shares in subsidiary undertakings are directly owned by the company unless stated otherwise and there were no changes in ownership since last year.

	2019 £	2018 £
Capital & Reserves	3,246,486	2,664,630
Profit for the year	581,856	(491,893)

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	2,290,146	1,686,086	107,733	6
Deferred cost of sales	1,446,780	1,485,463	-	-
Amounts owed by group undertakings	306,983	297,133	-	-
Other debtors	12,778	22,833	8,116	3,262
Tax	4,249	610	-	-
VAT	-	55,770	-	-
Prepayments	<u>67,657</u>	<u>59,784</u>	<u>-</u>	<u>-</u>
	<u>4,128,593</u>	<u>3,607,679</u>	<u>115,849</u>	<u>3,268</u>

**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	1,118,079	1,614,314	(1)	(2)
Amounts owed to group undertakings	89,561	116,813	-	-
Tax	26,743	15,267	11,728	4,671
Social security and other taxes	50,834	38,769	12,990	9,224
VAT	13,536	-	33,797	22,892
Other creditors	421,883	350,433	12,198	13,257
Accruals and deferred income	2,183,426	1,689,441	-	-
Accrued expenses	283,795	228,381	-	-
	<u>4,187,857</u>	<u>4,053,418</u>	<u>70,712</u>	<u>50,042</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Preference shares (see note 14)	-	376,015	-	376,015
Amounts owed to group undertakings	-	-	2,461,943	2,070,425
	<u>-</u>	<u>376,015</u>	<u>2,461,943</u>	<u>2,446,440</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Amounts falling due in more than five years: Repayable otherwise than by instalments				
Preference shares	-	376,015	-	376,015
	<u>-</u>	<u>376,015</u>	<u>-</u>	<u>376,015</u>

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:		Nominal value:	2019	2018
Number:	Class:		£	£
376,015	Redeemable Preference Shares	1.00	-	376,015
			<u>-</u>	<u>376,015</u>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:



**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019****Group**Non-cancellable operating  
leases

	2019	2018
	£	£
Within one year	83,562	46,496
Between one and five years	<u>107,329</u>	<u>154,872</u>
	<u>190,891</u>	<u>201,368</u>

**16. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
5,001,000	Ordinary	1.00	<u>5,001,000</u>	<u>5,001,000</u>

The preference shares were redeemed on 09th April 2018.

**17. RESERVES****Group**

	Retained earnings £
At 1 April 2018	(4,722,452)
Profit for the year	<u>631,902</u>
At 31 March 2019	<u>(4,090,550)</u>

**Company**

	Retained earnings £
At 1 April 2018	3,716,671
Profit for the year	<u>50,047</u>
At 31 March 2019	<u>3,766,718</u>

**18. PENSION COMMITMENTS**

The group makes contributions to the personal pension schemes of its employees. The unpaid contributions outstanding at the year end included in creditors are £6,711 (2018: £5,571). These amounts were paid during April 2018.

## **SAKSOFT SOLUTIONS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 MARCH 2019**

#### **19. ULTIMATE PARENT COMPANY**

The directors consider the immediate undertaking, ultimate parent undertaking and controlling party to be Saksoft Limited, a company incorporated in India.

The largest group of which the company is a member, and for which consolidated financial statements are prepared, is that group headed by Saksoft Limited. Copies of the group financial statements can be obtained from:

40 SP Infocity 2nd Floor,  
Dr.M G R Salai,  
Perungudi, Chennai  
600096  
India

The smallest group of which the company is a member, and for which consolidated financial statements are prepared, is that group headed by Saksoft Solutions Limited. Copies of the group financial statements can be obtained from:

Applicon House  
Exchange Street  
Stockport  
SK3 0EY

#### **20. OTHER FINANCIAL COMMITMENTS**

The company has entered into a Composite Accounting agreement dated 01/10/2015. Each participating company has provided a guarantee to the bank that the bank is authorised to allow set-off for interest purposes and in certain circumstances to seize credit balances and apply them in reduction of liabilities including debit balances within the Composite Accounting System.

22/04/2013 - Debenture on the banks standard form.

16/11/2015 - Cross guarantee and debenture between Saksoft Solutions Limited .

01/10/2015 - Unlimited guarantee given by Saksoft Solutions Limited .

**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**21. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

	2019 £	2018 £
Debtors due within one year [Note 11]		
Saksoft Inc	306,983	297,133
Creditors due within one year		
DreamOrbit Softech	2,088	30,030
Three Sixty Logica	10,544	50,025
Saksoft Limited	76,929	36,758

**SAKSOFT SOLUTIONS LIMITED****CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
<b>Sales</b>		11,237,695		10,541,686
<b>Cost of sales</b>				
Purchases	3,200,086		2,738,717	
Sub contractors	3,884,114		4,002,865	
Consultancy fees	<u>1,239,762</u>		<u>835,691</u>	
		<u>8,323,962</u>		<u>7,577,273</u>
<b>GROSS PROFIT</b>		2,913,733		2,964,413
<b>Other income</b>				
Deposit account interest	590		431	
Other interest receivable	<u>11,920</u>		<u>2,294</u>	
		<u>12,510</u>		<u>2,725</u>
		2,926,243		2,967,138
<b>Expenditure</b>				
Wages	1,465,015		1,383,948	
Social security	170,466		173,026	
Pensions	66,717		69,516	
Rent & service charges	104,214		114,406	
Rates and water	24,150		25,900	
Insurance	8,152		11,555	
Light and heat	10,210		8,539	
Staff Welfare	29,944		30,716	
Telephone	32,722		51,194	
Post and stationery	7,214		7,365	
Advertising	-		15,761	
Travelling	163,083		138,733	
Motor expenses	11,443		12,662	
Repairs and renewals	20,853		20,838	
Subscription & Donation	12,101		11,195	
Sundry expenses	64		120	
Recruitment	-		576	
Training	11,684		21,247	
Legal fees	53,762		83,159	
Auditors' remuneration	20,600		15,900	
Auditors' remuneration for non audit work	7,843		4,501	
Foreign exchange losses	12,421		(5,564)	
Entertainment	<u>657</u>		<u>2,301</u>	
		<u>2,233,315</u>		<u>2,197,594</u>
		692,928		769,544
<b>Finance costs</b>				
Bank charges		<u>8,302</u>		<u>6,886</u>
Carried forward		684,626		762,658

This page does not form part of the statutory financial statements

**SAKSOFT SOLUTIONS LIMITED**

**CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
Brought forward		684,626		762,658
<b>Depreciation</b>				
Equipment, Fixtures & fittings and Leasehold improvements		<u>26,056</u>		<u>31,223</u>
<b>NET PROFIT</b>		<u>658,570</u>		<u>731,435</u>

This page does not form part of the statutory financial statements