

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
SAKSOFT SOLUTIONS LIMITED

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**SAKSOFT SOLUTIONS LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**SAKSOFT SOLUTIONS LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**DIRECTORS:**

A Krishna  
N Ganeriwala  
V Babu

**SECRETARY:**

M Venkatramanan

**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  
126-134 Baker Street  
London  
W1U 6UE

## SAKSOFT SOLUTIONS LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their strategic report of the company and the group for the year ended 31 March 2021.

#### **REVIEW OF BUSINESS**

The directors of the company wish to report that the performance of the company has been stable during the year. The Company has managed to sustain its relationship with Customers through the year and maintain its revenue base. The first and foremost focus of the Company has been retention of the employees and their well-being and we are pleased to update that none of the employees have been made redundant on account of the pandemic. The company strives to be a strategic fit in the Group's focus on onshore delivery model in the UK.

The Company has demonstrated its ability to provide services to medium and large sized clients in the Public Utility space. The Company has plans to grow account based revenues and add volumes by mining the account deeper to engage in multi-dimensional roles. It is looking to partner with Customers on a long term model for filling up specific service lots and role based requirements.

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 offers a leeway to cross-sell the larger Group's services through its platform. It provides services on its own to clients in the UK and contributes to the Group's revenues. The Company aims to add new customers in the coming years and grow its revenue base.

Whilst the group is geared up to work towards its growth objectives in the coming year, there is a new challenge that emerged in the form of a pandemic across the world at the close of the last financial year. The COVID-19 outbreak in the UK and throughout the world has caused general business disruption. While the disruption is currently continuing as on date and expected to be temporary, there is considerable uncertainty around the duration of its prevalence, containment and reversal. The extent of the impact of COVID-19 on operational and financial performance will depend on certain developments, including duration and spread of the outbreak, the future impact on the customers, employees and vendors, all of which are uncertain and cannot be predicted.

During the shutdown period, the Companies continue to employ and maintain the headcount of their staff and deliver its services.

The key financial results of the subsidiary is as below:

Acuma Solutions Limited

The profits/(loss) for the year amounted to £1,005,575 [2020: £354,011].

**SAKSOFT SOLUTIONS LIMITED**

**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**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 Credit-card facility of £30,000 and the following undrawn credit facilities:

- 1) Overdraft facility: £400,000 and;
- 2) Foreign Exchange marginal risk facility: £150,000.

**ON BEHALF OF THE BOARD:**



.....  
A Krishna - Director

Date: 20<sup>th</sup> May 2021

## **SAKSOFT SOLUTIONS LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2021.

#### **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 had commenced trading in the recent past and 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 2021.

The directors have not recommended a dividend for the year ended 31st March 2021.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

A Krishna  
N Ganeriwala  
V Babu

#### **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.

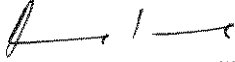
**SAKSOFT SOLUTIONS LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**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: 20<sup>th</sup> May 2021

**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 2021 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 2021 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.

**The impact of uncertainties due to the COVID19 pandemic on our audit**

Uncertainties related to the effects of COVID-19 are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

COVID-19 is one of the most significant public health, social and economic event and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for the company and this is particularly the case in relation to COVID19.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**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 this gives rise to a material misstatement in the financial statements themselves. 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.



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

**Opinions 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.

**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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries of management, concerning the company's policies and procedures relating to:
  - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance.

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: 20<sup>th</sup> May 2021

**SAKSOFT SOLUTIONS LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>	3	12,219,370	10,166,177
Cost of sales		<u>9,417,837</u>	<u>7,397,611</u>
<b>GROSS PROFIT</b>		2,801,533	2,768,566
Administrative expenses		<u>1,977,323</u>	<u>2,384,920</u>
		824,210	383,646
Other operating income		<u>264,659</u>	<u>-</u>
<b>OPERATING PROFIT</b>	5	1,088,869	383,646
Interest receivable and similar income		<u>804</u>	<u>8,367</u>
<b>PROFIT BEFORE TAXATION</b>		1,089,673	392,013
Tax on profit	7	<u>26,050</u>	<u>9,097</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,063,623	382,916
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>1,063,623</u>	<u>382,916</u>
Profit attributable to: Owners of the parent		<u>1,063,623</u>	<u>382,916</u>
Total comprehensive income attributable to: Owners of the parent		<u>1,063,623</u>	<u>382,916</u>

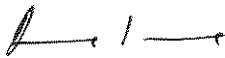
The notes form part of these financial statements

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

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	9	9,898	22,557
Investments	10	<u>-</u>	<u>-</u>
		9,898	22,557
<b>CURRENT ASSETS</b>			
Debtors	11	3,433,588	3,461,759
Cash at bank and in hand		<u>2,804,029</u>	<u>1,571,075</u>
		6,237,617	5,032,834
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>3,890,524</u>	<u>3,762,023</u>
<b>NET CURRENT ASSETS</b>		<u>2,347,093</u>	<u>1,270,811</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,356,991</u>	<u>1,293,368</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	5,001,000	5,001,000
Retained earnings	16	<u>(2,644,009)</u>	<u>(3,707,632)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>2,356,991</u>	<u>1,293,368</u>

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 20<sup>th</sup> May 2021 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 2021**

	Notes	2021		2020	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		-		-
Investments	10		<u>11,103,753</u>		<u>11,103,753</u>
			11,103,753		11,103,753
<b>CURRENT ASSETS</b>					
Debtors	11	128,742		74,913	
Cash at bank		<u>253,094</u>		<u>170,440</u>	
		381,836		245,353	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>86,834</u>		<u>73,649</u>	
<b>NET CURRENT ASSETS</b>			<u>295,002</u>		<u>171,704</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,398,755		11,275,457
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		<u>2,544,085</u>		<u>2,478,835</u>
<b>NET ASSETS</b>			<u>8,854,670</u>		<u>8,796,622</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		5,001,000		5,001,000
Retained earnings	16		<u>3,853,670</u>		<u>3,795,622</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>8,854,670</u>		<u>8,796,622</u>
Company's profit for the financial year			<u>58,048</u>		<u>28,904</u>

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 20<sup>th</sup> May 2021 and were signed on its behalf by:



.....  
A Krishna - Director

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2019	5,001,000	(4,090,548)	910,452
Changes in equity			
Total comprehensive income	<u>-</u>	<u>382,916</u>	<u>382,916</u>
Balance at 31 March 2020	<u>5,001,000</u>	<u>(3,707,632)</u>	<u>1,293,368</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>1,063,623</u>	<u>1,063,623</u>
Balance at 31 March 2021	<u>5,001,000</u>	<u>(2,644,009)</u>	<u>2,356,991</u>

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2019	5,001,000	3,766,718	8,767,718
Changes in equity			
Total comprehensive income	<u>-</u>	<u>28,904</u>	<u>28,904</u>
Balance at 31 March 2020	<u>5,001,000</u>	<u>3,795,622</u>	<u>8,796,622</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>58,048</u>	<u>58,048</u>
Balance at 31 March 2021	<u>5,001,000</u>	<u>3,853,670</u>	<u>8,854,670</u>

The notes form part of these financial statements

**SAKSOFT SOLUTIONS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,239,433	653,220
Tax paid		<u>(6,782)</u>	<u>(24,811)</u>
Net cash from operating activities		<u>1,232,651</u>	<u>628,409</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(501)	(2,949)
Sale of fixed asset investments		-	1
Interest received		<u>804</u>	<u>8,367</u>
Net cash from investing activities		<u>303</u>	<u>5,419</u>
<b>Increase in cash and cash equivalents</b>		<u>1,232,954</u>	<u>633,828</u>
Cash and cash equivalents at beginning of year	2	<u>1,571,075</u>	<u>937,247</u>
Cash and cash equivalents at end of year	2	<u><u>2,804,029</u></u>	<u><u>1,571,075</u></u>

The notes form part of these financial statements



**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021	2020
	£	£
Profit before taxation	1,089,673	392,013
Depreciation charges	13,160	12,860
Group balances	83,986	370,483
Finance income	<u>(804)</u>	<u>(8,367)</u>
	1,186,015	766,989
Decrease in trade and other debtors	28,171	355,602
Increase/(decrease) in trade and other creditors	<u>25,247</u>	<u>(469,371)</u>
<b>Cash generated from operations</b>	<u><b>1,239,433</b></u>	<u><b>653,220</b></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 2021**

	31/3/21	1/4/20
	£	£
Cash and cash equivalents	<u>2,804,029</u>	<u>1,571,075</u>

**Year ended 31 March 2020**

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	<u>1,571,075</u>	<u>937,247</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/20	Cash flow	At 31/3/21
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,571,075</u>	<u>1,232,954</u>	<u>2,804,029</u>
	<u>1,571,075</u>	<u>1,232,954</u>	<u>2,804,029</u>
<b>Total</b>	<u><b>1,571,075</b></u>	<u><b>1,232,954</b></u>	<u><b>2,804,029</b></u>

The notes form part of these financial statements

## **SAKSOFT SOLUTIONS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 MARCH 2021**

#### **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.

##### **Turnover**

The turnover represents net sales of IT software, consultancy, support, expense re-charges 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.

## **SAKSOFT SOLUTIONS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 MARCH 2021**

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

##### **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.

##### **Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

##### **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.

## SAKSOFT SOLUTIONS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

#### 2. ACCOUNTING POLICIES - continued

##### **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**

The financial statements have been prepared on a going concern basis on the assumption that the company will continue to trade in the foreseeable future. The Company Directors having made appropriate enquiries consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and with the continued support of the company's shareholder, the company will be able to meet its liabilities as they fall due for payment. Therefore, the directors are of the opinion that it is appropriate to adopt the going concern basis in preparing the financial statements.

Since the financial year end, there are uncertainties relating to COVID19 pandemic which may impact on recoverability of the investments and debtors. No provisions have been made in the financial statements.

#### 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:

	2021	2020
	£	£
United Kingdom	11,947,449	10,155,945
Europe	<u>271,921</u>	<u>10,232</u>
	<u>12,219,370</u>	<u>10,166,177</u>

#### 4. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	1,263,945	1,554,669
Social security costs	151,465	183,826
Other pension costs	<u>57,731</u>	<u>76,282</u>
	<u>1,473,141</u>	<u>1,814,777</u>

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

	2021	2020
Sales and Marketing	6	6
Consulting	12	14
Support	<u>4</u>	<u>4</u>
	<u>22</u>	<u>24</u>

**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

4. **EMPLOYEES AND DIRECTORS - continued**

	2021	2020
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

5. **OPERATING PROFIT**

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

	2021	2020
	£	£
Depreciation - owned assets	13,160	12,859
Foreign exchange differences	<u>35,993</u>	<u>(9,832)</u>

6. **AUDITORS' REMUNERATION**

	2021	2020
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	21,480	20,705
Auditors' remuneration for non audit work	<u>14,677</u>	<u>7,435</u>

7. **TAXATION**

**Analysis of the tax charge**

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	<u>26,050</u>	<u>9,097</u>
Tax on profit	<u>26,050</u>	<u>9,097</u>

**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021****7. TAXATION - continued****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:

	2021 £	2020 £
Profit before tax	<u>1,089,673</u>	<u>392,013</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	207,038	74,482
Effects of:		
Expenses not deductible for tax purposes	73	62
Capital allowances in excess of depreciation	(579)	-
Depreciation in excess of capital allowances	-	1,756
Utilisation of tax losses	(180,482)	(64,419)
Adjustments to tax charge in respect of previous periods	-	(2,784)
	<u>26,050</u>	<u>9,097</u>
Total tax charge	<u>26,050</u>	<u>9,097</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.

**9. TANGIBLE FIXED ASSETS****Group**

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2020	47,751	7,360	498,090	553,201
Additions	<u>-</u>	<u>-</u>	<u>501</u>	<u>501</u>
At 31 March 2021	<u>47,751</u>	<u>7,360</u>	<u>498,591</u>	<u>553,702</u>
<b>DEPRECIATION</b>				
At 1 April 2020	30,770	4,604	495,270	530,644
Charge for year	<u>9,550</u>	<u>1,472</u>	<u>2,138</u>	<u>13,160</u>
At 31 March 2021	<u>40,320</u>	<u>6,076</u>	<u>497,408</u>	<u>543,804</u>
<b>NET BOOK VALUE</b>				
At 31 March 2021	<u>7,431</u>	<u>1,284</u>	<u>1,183</u>	<u>9,898</u>
At 31 March 2020	<u>16,981</u>	<u>2,756</u>	<u>2,820</u>	<u>22,557</u>

**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021****10. FIXED ASSET INVESTMENTS****Investments**

	2021	2020
	£	£
As at 31st March	11,103,753	11,103,753

**Company**

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
Registered office: Applicon House, Exchange Street, Stockport, SK3 0EY.					

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

	2021	2020
	£	£
Capital & Reserves	4,606,072	3,600,497
Profit for the year	1,005,575	354,011

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	2,253,084	2,147,961	75,838	70,351
Deferred cost of sales	1,109,393	1,226,377	-	-
Amounts owed by group undertakings	-	-	45,670	-
Other debtors	11,234	20,010	7,234	4,562
Prepayments	59,877	67,411	-	-
	<u>3,433,588</u>	<u>3,461,759</u>	<u>128,742</u>	<u>74,913</u>

**SAKSOFT SOLUTIONS LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021****12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	683,873	1,005,166	-	-
Amounts owed to group undertakings	237,047	153,063	-	-
Tax	26,048	6,780	13,648	6,780
Social security and other taxes	46,097	46,888	13,419	15,334
VAT	71,936	583	34,499	26,815
Other creditors	705,093	498,577	25,268	24,720
Accruals and deferred income	1,768,549	1,802,658	-	-
Accrued expenses	351,881	248,308	-	-
	<u>3,890,524</u>	<u>3,762,023</u>	<u>86,834</u>	<u>73,649</u>

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

	Company	
	2021	2020
	£	£
Amounts owed to group undertakings	<u>2,544,085</u>	<u>2,478,835</u>

**14. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	98,988	103,459
Between one and five years	<u>8,088</u>	<u>54,147</u>
	<u>107,076</u>	<u>157,606</u>

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£	£
5,001,000	Ordinary	1.00	<u>5,001,000</u>	<u>5,001,000</u>



**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

16. RESERVES

Group	Retained earnings £
At 1 April 2020	(3,707,632)
Profit for the year	<u>1,063,623</u>
At 31 March 2021	<u>(2,644,009)</u>

Company	Retained earnings £
At 1 April 2020	3,795,622
Profit for the year	<u>58,048</u>
At 31 March 2021	<u>3,853,670</u>

17. 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 £6,914 (2020: £8,305). These amounts were paid during April 2021.

18. 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 Global 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

**SAKSOFT SOLUTIONS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**19. 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 .

**20. 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.

	2021	2020
	£	£
Debtors due within one year [Note 11]	-	-
	=====	=====
Creditors due within one year	8,975	9,208
DreamOrbit Softech	=====	=====
Three Sixty Logica	69,465	-
	=====	=====
Saksoft Limited	158,607	73,510
	=====	=====

**SAKSOFT SOLUTIONS LIMITED****CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021**

	2021		2020	
	£	£	£	£
Sales		12,219,370		10,166,177
<b>Cost of sales</b>				
Purchases	2,225,275		2,188,157	
Sub contractors	5,072,569		4,021,788	
Consultancy fees	<u>2,119,993</u>		<u>1,187,666</u>	
		<u>9,417,837</u>		<u>7,397,611</u>
<b>GROSS PROFIT</b>		2,801,533		2,768,566
<b>Other income</b>				
UK dividends	264,659		-	
Deposit account interest	652		904	
Other interest receivable	<u>152</u>		<u>7,463</u>	
		<u>265,463</u>		<u>8,367</u>
		3,066,996		2,776,933
<b>Expenditure</b>				
Wages	1,263,945		1,554,669	
Social security	151,465		183,826	
Pensions	57,731		76,282	
Rent & service charges	109,118		97,432	
Rates and water	26,180		26,053	
Insurance	6,363		6,694	
Light and heat	12,235		9,591	
Staff Welfare	26,974		31,219	
Telephone	21,062		21,457	
Post and stationery	2,710		4,802	
Travelling	36,552		167,930	
Motor expenses	(1,050)		4,811	
Repairs and renewals	23,128		18,463	
Subscription & Donation	11,874		13,871	
Marketing expenses	1,813		3,343	
Legal fees	133,650		92,778	
Auditors' remuneration	21,480		20,705	
Auditors' remuneration for non audit work	14,677		7,435	
Foreign exchange losses	35,993		(9,832)	
Entertainment	382		326	
Bad debts	<u>-</u>		<u>31,952</u>	
		<u>1,956,282</u>		<u>2,363,807</u>
		1,110,714		413,126
<b>Finance costs</b>				
Bank charges		<u>7,881</u>		<u>8,253</u>
Carried forward		1,102,833		404,873

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 2021**

	2021		2020	
	£	£	£	£
Brought forward		1,102,833		404,873
<b>Depreciation</b>				
Equipment, Fixtures & fittings and Leasehold improvements		<u>13,160</u>		<u>12,860</u>
<b>NET PROFIT</b>		<u><u>1,089,673</u></u>		<u><u>392,013</u></u>

This page does not form part of the statutory financial statements