

REGISTERED NUMBER: 03647007 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
HEXAWARE TECHNOLOGIES UK LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2018

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HEXAWARE TECHNOLOGIES UK LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018

DIRECTORS:

A Singh
S Ramakarthikeyan

SECRETARY:

R Visvanathan

REGISTERED OFFICE:

C/O Butler & Co. LLP
3rd Floor
126-134 Baker Street
London
W1U 6UE

REGISTERED NUMBER:

03647007 (England and Wales)

AUDITORS:

Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their strategic report for the year ended 31 December 2018.

REVIEW OF BUSINESS

Revenue for the year amounted to £46,623,690 an increase of 29.8% from 2017, and the profit after tax on ordinary activities for the year amounted to £103,768 before exceptional items of £1,409,636..

The company office is at Canary Wharf, London, UK. It has branches in Hungary, Latvia, Estonia and Poland to serve its local customers.

The directors were satisfied with the performance of the company. The company's aggressive sales strategies have helped increase the revenues during the year. The company continued focus on offshore model of delivery and provides solution based delivery to its clients. The Revenue growth was achieved from volume and new customer acquisitions , adopting corporate's Goto market business strategy of" Automate everything, Cloudify everything and Transform Customer experience".

ON BEHALF OF THE BOARD:

A Singh - Director

24 January 2019

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Software development and IT consultancy services.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2018.

DIRECTORS

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

A Singh
S Ramakarthikeyan

Other changes in directors holding office are as follows:

P R Chandrasekar - resigned 20 December 2018

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company'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 company's activities expose it to various risks like foreign currency risk and interest rate risk, credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance.

Foreign currency risk

The company's transactions are predominantly in Pound Sterling and incurs foreign currency risk on transactions that are denominated in currency other than Pound Sterling, such as Euro and United States Dollars. The company does not hedge any currency exposures.

Interest rate risk

The company finances its operations through retained profits. The company has no significant exposure to market risk for changes in interest rates.

Liquidity risk

The company has no overdraft facilities or requirement, and manages its liquidity risk mainly through funds generated from operations.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The major classes of financial assets of the company are bank deposits, trade receivables and amounts owed by group companies. The company manages its credit risk thorough credit checks, and rigorous debt collection procedures.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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 company'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 company's auditors are aware of that information.

AUDITORS

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

ON BEHALF OF THE BOARD:

A Singh - Director

24 January 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HEXAWARE TECHNOLOGIES UK LIMITED

Opinion

We have audited the financial statements of Hexaware Technologies UK Limited (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the 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 company's affairs as at 31 December 2018 and of its loss 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 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 in the 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.

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 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 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 HEXAWARE TECHNOLOGIES UK LIMITED

Matters on which we are required to report by exception

In the light of the 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 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, 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 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 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.

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. 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.

S 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

24 January 2019

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
TURNOVER	3	46,623,690	35,907,651
Cost of sales		<u>37,603,007</u>	<u>28,735,991</u>
GROSS PROFIT		9,020,683	7,171,660
Administrative expenses		<u>10,040,639</u>	<u>5,963,640</u>
		(1,019,956)	1,208,020
Other operating income		<u>8,681</u>	<u>1,242</u>
OPERATING (LOSS)/PROFIT	5	(1,011,275)	1,209,262
Interest receivable and similar income		<u>3,907</u>	<u>2,736</u>
(LOSS)/PROFIT BEFORE TAXATION		(1,007,368)	1,211,998
Tax on (loss)/profit	7	<u>298,500</u>	<u>240,000</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(1,305,868)</u>	<u>971,998</u>

The notes form part of these financial statements

HEXAWARE TECHNOLOGIES UK LIMITED (REGISTERED NUMBER: 03647007)

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
(LOSS)/PROFIT FOR THE YEAR		(1,305,868)	971,998
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		-	-
FOR THE YEAR		<u>(1,305,868)</u>	<u>971,998</u>

The notes form part of these financial statements

HEXAWARE TECHNOLOGIES UK LIMITED (REGISTERED NUMBER: 03647007)**BALANCE SHEET**
31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	8		58,038		56,002
Investments	9		<u>19,514</u>		<u>23,914</u>
			77,552		79,916
CURRENT ASSETS					
Debtors	10	14,093,659		10,283,717	
Cash at bank		<u>4,282,796</u>		<u>2,625,588</u>	
		18,376,455		12,909,305	
CREDITORS					
Amounts falling due within one year	11	<u>13,894,271</u>		<u>7,123,617</u>	
NET CURRENT ASSETS			<u>4,482,184</u>		<u>5,785,688</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,559,736</u>		<u>5,865,604</u>
CAPITAL AND RESERVES					
Called up share capital	13		2,167,000		2,167,000
Retained earnings	14		<u>2,392,736</u>		<u>3,698,604</u>
SHAREHOLDERS' FUNDS			<u>4,559,736</u>		<u>5,865,604</u>

The financial statements were authorised for issue by the Board of Directors on 24 January 2019 and were signed on its behalf by:

A Singh - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2017	2,167,000	2,726,606	4,893,606
Changes in equity			
Total comprehensive income	-	971,998	971,998
Balance at 31 December 2017	<u>2,167,000</u>	<u>3,698,604</u>	<u>5,865,604</u>
Changes in equity			
Total comprehensive income	-	(1,305,868)	(1,305,868)
Balance at 31 December 2018	<u>2,167,000</u>	<u>2,392,736</u>	<u>4,559,736</u>

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	1,997,099	484,178
Tax paid		<u>(303,003)</u>	<u>(624,133)</u>
Net cash from operating activities		<u>1,694,096</u>	<u>(139,955)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(45,195)	(5,484)
Sale of fixed asset investments		4,400	-
Interest received		<u>3,907</u>	<u>2,736</u>
Net cash from investing activities		<u>(36,888)</u>	<u>(2,748)</u>
Increase/(decrease) in cash and cash equivalents		<u>1,657,208</u>	<u>(142,703)</u>
Cash and cash equivalents at beginning of year	2	2,625,588	2,768,291
Cash and cash equivalents at end of year	2	<u><u>4,282,796</u></u>	<u><u>2,625,588</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
(Loss)/profit before taxation	(1,007,368)	1,211,998
Depreciation charges	43,160	41,113
Finance income	(3,907)	(2,736)
	(968,115)	1,250,375
Increase in trade and other debtors	(3,809,943)	(2,137,385)
Increase in trade and other creditors	6,775,157	1,371,188
Cash generated from operations	1,997,099	484,178

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 December 2018

	31/12/18	1/1/18
	£	£
Cash and cash equivalents	<u>4,282,796</u>	<u>2,625,588</u>

Year ended 31 December 2017

	31/12/17	1/1/17
	£	£
Cash and cash equivalents	<u>2,625,588</u>	<u>2,768,291</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATUTORY INFORMATION

Hexaware Technologies UK 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 Company 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.

The financial statements have been prepared on a consistent basis in accordance with applicable Accounting Standards in the United Kingdom, and in compliance with the Companies Act 2006. A summary of the principal accounting policies is set out below.

Turnover

Turnover represents the invoiced amounts of services provided and it is stated net of Value Added Tax.

Revenue for software services is recognised on the basis of services rendered. In case of time and material contracts, invoices are raised on the basis of customer approved timesheets. In case of fixed price projects, invoices are raised for prescribed milestones achieved on the basis of acceptance / sign-off received from customer. Revenue on fixed price contracts is recognised on percentage completion method until an invoice is raised to the customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- over the lease term
Plant and machinery	- 20% on cost
Fixtures and fittings	- 12.5% on cost
Computer equipment	- 33.33% on cost

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 Income Statement, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**2. ACCOUNTING POLICIES - continued****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 transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

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

Going concern

The directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors consider it appropriate to adopt the going concern basis in preparing the annual financial statements.

3. TURNOVER

The turnover and loss (2017 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2018	2017
	£	£
Banking and Financial Services	7,935,608	7,146,710
Global Travel & Transportation	5,368,042	3,571,472
Healthcare & Insurance	23,130,373	16,957,468
Manufacturing & Others	10,189,667	8,232,001
	<u>46,623,690</u>	<u>35,907,651</u>

An analysis of turnover by geographical market is given below:

	2018	2017
	£	£
UK	31,238,724	25,089,957
Belgium	8,685,230	7,015,094
Switzerland	1,353,192	1,883,548
Netherlands	1,108,511	1,509,759
Poland	1,974,824	-
Sweden	829,306	409,293
Luxembourg	1,134,249	-
Finland	113,080	-
US	186,574	-
	<u>46,623,690</u>	<u>35,907,651</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

4. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	11,429,126	9,094,901
Social security costs	1,062,402	805,724
Other pension costs	160,826	100,050
	<u>12,652,354</u>	<u>10,000,675</u>

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

	2018	2017
Office Management	27	25
Software consultants	<u>145</u>	<u>136</u>
	<u>172</u>	<u>161</u>

	2018	2017
	£	£
Directors' remuneration	<u>323,640</u>	<u>239,278</u>

Information regarding the highest paid director is as follows:

	2018	2017
	£	£
Emoluments etc	<u>323,640</u>	<u>239,278</u>

5. OPERATING (LOSS)/PROFIT

The operating loss (2017 - operating profit) is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	43,159	41,114
Auditors' remuneration	20,000	20,000
Audit-related assurance services	14,150	11,500
Taxation compliance services	21,246	12,999
Other non- audit services	873	3,146
Foreign exchange differences	<u>(123,656)</u>	<u>135,756</u>

6. EXCEPTIONAL ITEMS

	2018	2017
	£	£
Exceptional items	<u>(1,409,636)</u>	<u>-</u>

This represents a provision against the amounts due from Hexaware Technologies Romania SRL, a wholly owned subsidiary of the company. The provision is on the basis that there are no prospects of recovery in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

7. TAXATION

Analysis of the tax charge

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

	2018 £	2017 £
Current tax:		
UK corporation tax	298,500	240,000
Tax on (loss)/profit	<u>298,500</u>	<u>240,000</u>

Reconciliation of total tax charge included in profit and loss

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

	2018 £	2017 £
(Loss)/profit before tax	<u>(1,007,368)</u>	<u>1,211,998</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%)	(191,400)	233,310
Effects of:		
Excess of capital allowance over depreciation	1,116	5,957
Expenses disallowed for tax purposes	8,763	9,743
Exceptional adjustment	267,831	-
Other adjustments	<u>212,190</u>	<u>(9,010)</u>
Total tax charge	<u>298,500</u>	<u>240,000</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2018	76,900	12,018	24,838	129,727	243,483
Additions	-	-	-	45,195	45,195
At 31 December 2018	<u>76,900</u>	<u>12,018</u>	<u>24,838</u>	<u>174,922</u>	<u>288,678</u>
DEPRECIATION					
At 1 January 2018	50,676	7,265	17,931	111,609	187,481
Charge for year	<u>16,562</u>	<u>2,107</u>	<u>1,046</u>	<u>23,444</u>	<u>43,159</u>
At 31 December 2018	<u>67,238</u>	<u>9,372</u>	<u>18,977</u>	<u>135,053</u>	<u>230,640</u>
NET BOOK VALUE					
At 31 December 2018	<u>9,662</u>	<u>2,646</u>	<u>5,861</u>	<u>39,869</u>	<u>58,038</u>
At 31 December 2017	<u>26,224</u>	<u>4,753</u>	<u>6,907</u>	<u>18,118</u>	<u>56,002</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2018	23,914
Disposals	(4,400)
At 31 December 2018	<u>19,514</u>
NET BOOK VALUE	
At 31 December 2018	<u>19,514</u>
At 31 December 2017	<u>23,914</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Hexaware Technologies DO Brazil Limited

Registered office:

Nature of business: Software development and IT consultancy services

	% holding	2018 £	2017 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		-	44,031
Profit for the year		<u>-</u>	<u>5,869</u>

The investment was disposed during the year.

Hexaware Technologies Romania SRL

Registered office: Hexaware Technologies Romania SRL Str.Grigore Cobalcescu, nr.46, et.2, Sector 1, Bucharest , Romania

Nature of business: Software development and IT consultancy services

	% holding	2018 £	2017 £
Class of shares:			
Ordinary	90.00		
Aggregate capital and reserves		(956,709)	(487,931)
Loss for the year		<u>(461,714)</u>	<u>(484,318)</u>

As at 31 December 2018, the amount due from the subsidiary in Romania is £1,409,636 (2017 £909,052).

These financial statements contain information about Hexaware Technologies UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 401 of the Companies Act 2006 as the company itself is a subsidiary undertaking and its parent undertaking is not established under the law of an EEA state. The company is included in consolidated accounts of its parent company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

10. DEBTORS

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	8,824,561	6,997,225
Amounts owed by group undertakings	1,020,109	1,788,093
Other debtors	297,958	138,802
Accrued income	3,659,734	1,122,708
Prepayments	216,297	161,889
	<u>14,018,659</u>	<u>10,208,717</u>
Amounts falling due after more than one year:		
Other debtors	<u>75,000</u>	<u>75,000</u>
Aggregate amounts	<u>14,093,659</u>	<u>10,283,717</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	1,211,896	459,683
Amounts owed to group undertakings	6,091,321	1,979,263
Tax	43,650	48,153
Social security and other taxes	291,203	273,761
VAT	742,904	674,754
Other creditors	1,367,079	972,953
Deferred income	668,578	55,607
Accrued expenses	3,477,640	2,659,443
	<u>13,894,271</u>	<u>7,123,617</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	110,775	189,900
Between one and five years	-	110,775
	<u>110,775</u>	<u>300,675</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2018 £	2017 £
Number:	Class:			
2,167,000	Ordinary		<u>2,167,000</u>	<u>2,167,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

14. RESERVES

	Retained earnings £
At 1 January 2018	3,698,604
Deficit for the year	(1,305,868)
At 31 December 2018	<u>2,392,736</u>

15. PENSION COMMITMENTS

At the year end the amount payable towards pension is £201,886 (2017: £19,279).

16. ULTIMATE PARENT COMPANY

Ultimate Holding Company and its subsidiaries - Baring Private Equity Asia GP V. LP, Cayman Island.

- The Baring Asia Private Equity Fund V, LP, Cayman Island.
- Baring Private Equity Asia V Mauritius Holding (4) Limited, Mauritius.
- Parel Investment Holding Limited, Mauritius.
- HT Global IT solutions Holding Limited, Mauritius.

Holding Company - Hexaware Technologies Limited, India.

17. 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 other group undertakings in these financial statements.

The company is a wholly owned subsidiary of Hexaware Technologies Limited, a company incorporated in India and is included in the consolidated financial statements of that company. Copies of the group financial statements can be obtained from: Hexaware Technologies Ltd, Building NO 152, Sector -III, Millenium Business Park, A Block, TTC Industrial Area, Mahape, Navi Mumbai - 400710 , India.

18. BANK GUARANTEE

The company's bankers, Royal Bank of Scotland Plc, have given a guarantee to a third party of £ 75,000 and has a lien on a deposit with the bank of a similar amount.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

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