

Newgen Software Technologies (UK) Limited

Annual Report and Financial Statements

For the year ended 31 March 2018

Newgen Software Technologies (UK) Limited

Company Information

Directors Diwakar Nigam
Varadarajan Tirumalai Sundaraja Iyengar

Company number 09792682

Registered office 10 Finsbury Square
London
EC2A 1AF

Auditors Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers Citibank Europe Plc
Citigroup Centre
33 Canada Square
Canary Wharf
London
E14 5LB

Newgen Software Technologies (UK) Limited

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Newgen Software Technologies (UK) Limited

Directors' Report

For the year ended 31 March 2018

The directors present their report and financial statements for the year ended 31 March 2018.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Diwakar Nigam
Varadarajan Tirumalai Sundaraja Iyengar

Auditor

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 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 of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

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Diwakar Nigam

Director

05/05/18

Newgen Software Technologies (UK) Limited

Independent Auditor's Report

To the Members of Newgen Software Technologies (UK) Limited

Opinion

We have audited the financial statements of Newgen Software Technologies (UK) Limited (the 'company') for the year ended 31 March 2018 which comprise the Profit And Loss Account, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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.

Newgen Software Technologies (UK) Limited

Independent Auditor's Report (Continued)

To the Members of Newgen Software Technologies (UK) Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Newgen Software Technologies (UK) Limited

Independent Auditor's Report (Continued)

To the Members of Newgen Software Technologies (UK) Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Thomas Moore (Statutory Auditor)
for and on behalf of Kingston Smith LLP

Chartered Accountants
Statutory Auditor

15 May 2018

Devonshire House
60 Goswell Road
London
EC1M 7AD

Newgen Software Technologies (UK) Limited

Profit and Loss Account

For the year ended 31 March 2018

	2018 £	2017 £
Turnover	343,776	473,068
Cost of sales	(57,600)	(292,763)
Gross profit	<u>286,176</u>	<u>180,305</u>
Administrative expenses	(289,089)	(166,408)
(Loss)/profit before taxation	<u>(2,913)</u>	<u>13,897</u>
Taxation	473	(2,649)
(Loss)/profit for the financial year	<u><u>(2,440)</u></u>	<u><u>11,248</u></u>

Newgen Software Technologies (UK) Limited

Balance Sheet

As at 31 March 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		903		1,446
Current assets					
Debtors	4	99,880		353,439	
Cash at bank and in hand		240,094		182,242	
		<u>339,974</u>		<u>535,681</u>	
Creditors: amounts falling due within one year	5	<u>(132,069)</u>		<u>(325,879)</u>	
Net current assets			207,905		209,802
Total assets less current liabilities			<u>208,808</u>		<u>211,248</u>
Capital and reserves					
Called up share capital	6		200,000		200,000
Profit and loss reserves			8,808		11,248
Total equity			<u>208,808</u>		<u>211,248</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 05/05/18 and are signed on its behalf by:

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 Diwakar Nigam
 Director

Company Registration No. 09792682

Newgen Software Technologies (UK) Limited

Notes to the Financial Statements

For the year ended 31 March 2018

1 Accounting policies

Company information

Newgen Software Technologies (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 10 Finsbury Square, London, EC2A 1AF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") Section 1A and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for software license, installation and support services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade and settlement discounts.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The Company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other or basic instruments measured at fair value.

1.6 Taxation

The tax expense represents the tax currently payable.

Newgen Software Technologies (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2018

1 Accounting policies (Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average number of persons employed by the company (excluding directors) during the year was 2 (2017: 2).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2017 and 31 March 2018	1,629
Depreciation and impairment	
At 1 April 2017	183
Depreciation charged in the year	543
At 31 March 2018	726
Carrying amount	
At 31 March 2018	903
At 31 March 2017	1,446

Newgen Software Technologies (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2018

4 Debtors	2018	2017
	£	£
Trade debtors	83,705	337,014
Corporation tax recoverable	474	-
Other debtors	15,701	16,425
	<u>99,880</u>	<u>353,439</u>

5 Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors	171	210
Amounts due to group undertakings	57,600	292,763
Corporation tax	-	2,649
Other taxation and social security	22,827	18,642
Other creditors	51,471	11,615
	<u>132,069</u>	<u>325,879</u>

6 Called up share capital	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
20,000,000 Ordinary shares of 1p each	200,000	200,000
	<u>200,000</u>	<u>200,000</u>

7 Operating lease commitments		
Lessee		
Operating lease payments represent rentals payable by the company for the lease of office space. The lease is a rolling 12 month contract, and the rental payments are fixed.		
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:		
	2018	2017
	£	£
	<u>15,245</u>	<u>14,875</u>

Newgen Software Technologies (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2018

8 Parent company

The ultimate controlling party is Newgen Software Technologies Limited, a company incorporated and domiciled in India.

Newgen Software Technologies Limited owns 100% of the share capital of Newgen Software Technologies (UK) Limited. Consolidated accounts are available on request from the Company Secretary at: A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi 110 067, India.

Newgen Software Technologies (UK) Limited

Management Information
For the year ended 31 March 2018

Newgen Software Technologies (UK) Limited

Detailed Trading and Profit and Loss Account

For the year ended 31 March 2018

	2018 £	2017 £
Turnover		
Software and support	323,952	430,990
Installation services	19,824	42,078
	<u>343,776</u>	<u>473,068</u>
Cost of sales		
Outsourced software costs	57,600	292,763
	<u>(57,600)</u>	<u>(292,763)</u>
Gross profit	286,176	180,305
Administrative expenses	(289,089)	(166,408)
Operating (loss)/profit	<u>(2,913)</u>	<u>13,897</u>

Newgen Software Technologies (UK) Limited

Schedule of Administration Expenses

For the year ended 31 March 2018

	2018	2017
	£	£
Administrative expenses		
Wages and salaries	173,415	97,956
Social security costs	16,893	1,720
Rent	35,621	20,825
Travelling expenses	8,297	6,280
Professional subscriptions	2,904	-
Legal and professional fees	381	7,137
Accountancy	11,868	6,288
Audit fees	4,800	4,400
Bank charges	576	260
Medical insurance	6,161	-
Printing and stationery	4,648	2,773
Telecommunications	2,406	912
Exhibition expenses	14,005	8,680
Depreciation	543	183
Loss on foreign exchange	6,571	8,994
	<u>289,089</u>	<u>166,408</u>
