

WHISHWORKS Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2020

WHISHWORKS Limited
Contents Page
For the year ended 31 March 2020

Directors and Advisors	1
Strategic Report	2
Directors' Report	4
Independent Auditor's Report	7
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12

WHISHWORKS Limited
Directors and Advisors
For the year ended 31 March 2020

Directors	Mr Sudhir Singh Mr Suman Kumar Konkumalla Mr Gautam Samanta
Registered Number	06546088
Registered Office	2 William Street Windsor Berkshire SL4 1BA
Independent Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF
Secretary	Sole Associates
Banker	HSBC UK Bank plc 2-4 St Ann's Square Manchester M2 7HD

WHISHWORKS Limited
Strategic Report
For the year ended 31 March 2020

The directors present their strategic report for the year ended 31 March 2020.

Principal activities

The principal activity of the company is in the provisions of software integration, development, and support services of MuleSoft and Big Data platform to the UK and International markets. The company features every aspect of technology planning – from technology consulting, architecture development, bespoke application development, application maintenance and support.

Business review and future developments

The consistent growth in turnover from MuleSoft and Bigdata platform on a year-on-year basis, the company is expected increase its operations in the base domain in the coming years. During the current year company has become exclusive partner to another niche technology services i.e., Salesforce domain for service delivery in addition to the existing service solutions enabling further growth in digital transformation.

In addition to the above services, the Company being an exclusive partner for MuleSoft’s anytime platform as a strategic connectivity platform for all SaaS integration requirements is expected to grow consistently on year-on-year basis.

Key performance indicators (KPIs)

Turnover and profit on ordinary activities before taxation as presented in the business review are the key measures considered by the directors which is as follows:

Particulars	GBP' 000		Change
	2020	2019	%
1. Turnover	17,459	13,855	26%
2. Profit before tax	3,731	3,968	-5.9%
3. Shareholder funds	3,740	5,149	-27.4%
4. Employees	81	62	31 %

The results for the Company show a profit on ordinary activities before taxation of £3.7m (2019: £3.9m) for the year and turnover of £17.5m (2019: £13.9m). The revenue of the Company grew by 26% (2020: £17.5m and £2019: £13.9m), however, there’s marginal decline of 5.9% on profit before tax. This is mainly due to intercompany charges from the parent company that are in line with the transfer pricing policy, as well as other corporate charges, which were relatively lower in the previous year. Further, the company is investing in Salesforce platform and corresponding services, to ensure steady growth. The Company has net assets of £3.7m (2019: £5.1m).

Dividend

During the reporting period, the company paid an interim dividend to WHISHWORKS IT Consulting Private Limited of £4,500,000 at the rate of £45,000 per share (2019: Nil). The directors do not recommend payment of a final dividend (2019: Nil).

Principal risks and uncertainties facing the company

In December 2019 there was an outbreak of Covid-19, which the World Health Organization (WHO) declared pandemic on 11 March 2020.

The Company does not foresee substantial impact and the demand is still strong. In addition, the current expectation is that, in the medium -to-long term, technology will play an even bigger role in the industry’s future as it will likely invest more in digital transformations to increase automation and resilience. The company does not have significant presence in travel and transportation sector that is most likely to be affected by this pandemic, however we also operate with customers in the retail sector which has been affected, which has been offset by the growth in other verticals.

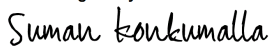
The nature of the business of the Company is to provide digital integration services and single platform for client IT solutions, hence these services are critical to the customers, the circumstances resulting from Covid-19 are not expected to have a significant impact on the trading performance in near future.

WHISHWORKS Limited
Strategic Report (Continued)
For the year ended 31 March 2020

All our deliveries and obligations are successfully met by our employees working from home. We have successfully adapted to the changed delivery and customer support model and have ensured no disruption in services to the clients. Despite the month of March being affected by the pandemic, we continued our pace of growth and were able to surpass our target for the fourth quarter ended 31 March 2020. The challenging market conditions and continued consolidation is driving an amount of uncertainty. This uncertainty combined with continued pressure in our home market, the UK, presents an element of risk. The company's strategy to continue to grow market share in London whilst accessing new growing territories is more important than ever.

Based on our review of the ongoing projects, under revised forecast due to Covid-19, we have considered a decline in customer collections of 3% over previous year. Under this scenario the company is expecting to generate an increase in operating cash flow in the year to 31 March 2021, compared to actual of £3 million in the year to 31 March 2020.

Approved by the Board on 24th June 2020 and signed on its behalf by

DocuSigned by:

21494406139D4B1z
Suman Kumar Konkumalla
Director
24th June 2020

WHISHWORKS Limited
Directors' Report
For the year ended 31 March 2020

The directors present their report and the audited financial statements of WHISHWORKS Limited ('the Company') for the year ended 31 March 2020.

Directors

The directors who served the company throughout the year were as follows:

- Mr Sudhir Singh (appointed as at 14 June 2019)
- Mr Suman Kumar Konkumalla
- Mr Gautam Samanta (appointed as at 14 June 2019)
- Mr Sri Arardhi (resigned on 14 June 2019)

Future developments

Please refer to the note on current situation and future strategy on COVID-19 in the Strategic Report.

The Company grew at pace of 26% in revenues in the current year and surpassed its target. Strong growth is driven by the continuing demand from the existing clients, as well as from the new clients in the portfolio. Our major customers are Covea, Costa, Allica, PBS, Ted Baker etc. With the outset of pandemic Covid-19, we are witnessing a change in the delivery model. All our deliveries and obligations are successfully met by our employees working from home. We have successfully adapted to the changed delivery and customer support model and have ensured no disruption in services to the clients. Despite the month of March being affected by the pandemic, we continued our pace of growth and were able to surpass our target for the fourth quarter of the year to 31 March 2020. NIIT Technologies Limited acquired controlling stake in WHISHWORKS Limited and WHISHWORKS IT Consulting Private Limited (parent company) in the year to March 2020. Now we are branded as **WHISHWORKS, the NIIT Technologies company**. This has opened growth prospects to the Company. Earlier the Company was limited to using Mulesoft, as the platform for providing services along with Big Data services and now the Company has Salesforce in the portfolio, giving huge boost to the reach and service offerings to the clients in the industry.

Future outlook and Going concern

In assessing whether the financial statements for the Company should be prepared on the going concern basis, the directors have considered the future outlook of the Company. The Directors have considered the future operating profits, cash flows and facilities available.

The Company had £1.5 million of cash available on its balance sheet at 31 March 2020. The cash balance has slightly increased by £1.2 million and stands at £2.7 million as at 31 May 2020. The Company has net current assets and positive shareholder's funds of £3.74 million as at 31 March 2020.

Budgeted customer collections for the financial year ended 31 March 2021 were initially forecasted at 9% growth. This was scaled down to decline of 3% to include the impact of Covid-19. The company is on track to meet the first quarter budget (pre-Covid-19 budget level). The company caters clients in the banking and finance, insurance, retail, hospitality and other verticals. The verticals that are affected by Covid-19 pandemic are offset by new deals appearing due to the greater need for digitalisation of the business. The Company has a robust pipeline for the next financial year.

Based on the negotiations with the main customers and review of the ongoing IT projects and our pipeline post Covid-19, the Company does not expect significant decline in revenue or profit for the year ended 31 March 2021 compared to the prior year. Under this scenario the Company is expected to generate positive operating cash flow for the year ending 31 March 2021. The main assumptions used the model are as follows:

1. **Delay in collections from customers** - the Company has accounted for a possible delay in collections from customers, as per current experience;
2. **Risk of customer cancelling contracts:**
 - Most of the license revenue is locked for FY21 and the contracts are uncancellable. Even if few of the projects are delayed, our strength in winning the new clients and turning the projects around in short span of time, provides the comfort of achieving target, hence no significant reduction in revenue or collection is planned.
 - The nature of the business of the Company is to provide digital integration services and single platform for client IT solutions, hence these services are critical to the customers
3. **Furlough** - The Company has availed the benefits under government furlough scheme in April and May 2020 for about 20% of its employees due to several projects being delayed.
4. **Travel or other operating disruptions** – In the past couple of months under Covid-19 impact, we have continued our operations successfully and are confident of handling similar situations in future successfully. All our deliveries and obligations are successfully met by our employees working from home.
5. **Deferral of VAT/other taxes** – As of now the Company has not availed the benefit of deferral of VAT and other taxes.
6. **No parent company or further external financing is required.**

The Company's three year forward scenario, which takes into consideration the current environment and the potential impact of Covid-19, shows that we are expected to remain profitable and generate positive cash flows for the foreseeable future. As a result, the directors have prepared these financial statements on a going concern basis.

WHISHWORKS Limited
Directors' Report (Continued)
For the year ended 31 March 2020

Financial risk management (other than covered by Principal risks and uncertainties facing the Company section of the Strategic Report on pages 2 and 3)

The Company's operations expose it to a variety of limited financial risks including the effects of changes in interest rates on foreign currency exchange rates, credit risk and liquidity risk. The Company does not use derivative instruments to manage these exposures. The Company's principal financial instruments comprise sterling bank deposits together with trade receivables and trade payables that arise directly from its operations. The main risks arising from the Company's financial instruments can be analysed as follows:

Price risk

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

Credit risk

The Company's principal financial assets are bank balances and trade receivables, which represent the Company's maximum exposure to credit risk in relation to financial assets. The Company's credit risk is primarily attributable to its trade receivables. This risk is not felt to be significant as the marketplace which it addresses consists of major players in respective fields like retail, hospitality and banking industries. The Company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The Company has adequate capital to support its working capital requirements. Proactive receivables management results in prompt collections. Management continue to focus on this area.

Foreign Exchange risk

A proportion of the Company's trading is conducted in Euros and US Dollars. However, any exposure to foreign exchange risk is in the normal course of business and is deemed to be immaterial.

Interest rate and cash flow risk

The Company's favourable liquidity situation did not warrant any significant borrowing in the current year. Policies in this regard will be in review regularly by the Directors.

The Company's proactive collection initiatives ensure that it can meet its commitments.

Qualifying third party indemnity provision

The Company has a Directors and Officers Liability insurance policy. This is in force at the date of the statement of financial position and also at the date of signing of the financial statements.

Directors

The directors who served the company throughout the year were as follows:

Mr Sudhir Singh (appointed as at 14 June 2019)

Mr Suman Kumar Konkumalla

Mr Gautam Samanta (appointed as at 14 June 2019)

Mr Sri Arardhi (resigned on 14 June 2019)

WHISHWORKS Limited
Directors' Report (Continued)
For the year ended 31 March 2020

Statement of Directors' responsibilities

The directors are responsible for preparing 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 (Financial Reporting Standard 102 and applicable law). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

At the date of approving this report, each of the Company's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware;
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditors

During the year, the company appointed Ernst & Young LLP as the statutory auditors to replace the incumbent auditors, Grant Thornton UK LLP. Written resolution of the directors of the company was passed on 31st January 2020 giving effect to this.

Post Statement of Financial Position Events

There have been no significant events affecting the Company since the year end.

Approved by the Board on 24th June 2020 and signed on its behalf by:

DocuSigned by:

-----21494486139D4B1-----

Mr Suman Kumar Konkumalla
Director

Independent Auditors' Report to the Members of WHISHWORKS LIMITED

Opinion

We have audited the financial statements of WHISHWORKS Limited for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related Notes 1 to 19, 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 company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

Emphasis of matter – Effects of Covid-19

We draw attention to Note 2 of the financial statements, which describes the economic and social consequences the company is facing as a result of Covid-19 which could impact customer demand. Our opinion is not modified in respect of this matter.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Members of WHISHWORKS Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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 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.

Ernst & Young LLP

Naresh Alimchandani (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
25 June 2020

WHISHWORKS Limited
Statement of Comprehensive Income
For the year ended 31 March 2020

	Notes	2020 £	2019 £
Turnover	3	17,459,174	13,855,057
Cost of Sales		(6,309,107)	(4,379,008)
Gross profit		11,150,067	9,476,049
Administrative expenses		(7,559,683)	(5,469,760)
Other operating income/(expenses)	7	140,872	(60,098)
Operating profit	4	3,731,256	3,946,191
Other interest receivable and similar income	8	711	22,516
Profit on ordinary activities before taxation		3,731,967	3,968,707
Tax on profit on ordinary activities	9	(719,868)	(728,551)
Total comprehensive income for the reporting period		3,012,099	3,240,156

WHISHWORKS Limited
Statement of Financial Position
As at 31 March 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible fixed assets	10	44,819	86,291
		44,819	86,291
Current assets			
Debtors: amounts falling due within one year	11	9,014,028	6,961,431
Cash at bank and in hand	12	1,483,251	2,941,747
		10,497,279	9,903,178
Creditors: amount falling due within one year	13	(6,802,349)	(4,803,830)
		3,694,930	5,099,348
Net current assets			
Total assets less current liabilities		3,739,749	5,185,639
Creditors: amount falling due after more than one year	14	-	(35,731)
Net assets		3,739,749	5,149,908
Capital and reserves			
Called up share capital	15	100	100
Other reserves	17	77,742	-
Retained earnings	16	3,661,907	5,149,808
Shareholders' funds		3,739,749	5,149,908

The financial statements were approved and authorized for issue by the board and were signed on its behalf on 24th June 2020.

DocuSigned by:
Suman Konkumalla
-----21494486139D4B1-----

Mr Suman Kumar Konkumalla
Director

The notes on pages 12 to 21 form part of the financial statements.

WHISHWORKS Limited
Statement of Changes in Equity
For the year ended 31 March 2020

	Share Capital £	Other Reserves £	Retained Earnings £	Total £
At 1 April 2018	100	-	1,909,652	1,909,752
Total Comprehensive Income	-	-	3,240,156	3,240,156
As at 31 March 2019	100	-	5,149,808	5,149,908

	Share Capital £	Other Reserves £	Retained Earnings £	Total £
At 1 April 2019	100	-	5,149,808	5,149,908
Total Comprehensive Income	-	-	3,012,099	3,012,099
Share-based capital reserve (Note 17)	-	77,742	-	77,742
Dividends paid during the year	-	-	(4,500,000)	(4,500,000)
At 31 March 2020	100	77,742	3,661,907	3,739,749

WHISHWORKS Limited
Notes to the Financial Statements
For the year ended 31 March 2020

1. General Information

WHISHWORKS Limited (the Company) is a private company, limited by shares, registered in England and Wales, registration number 06546088, registration address 2 William Street, Windsor, Berkshire, SL4 1BA.

Parent undertaking

WHISHWORKS Limited is the wholly owned subsidiary of WHISHWORKS IT Consulting Private Limited (Indian company), a company incorporated under Companies Act, 2013. The ultimate parent company and controlling party is NIIT Technologies Limited, India, a Company registered in India.

2. Accounting Policies and Statement of compliance

Basis of preparation of financial statements

The financial statements of the Company have been prepared in compliance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102') and the Companies Act 2006 for the year ended 31 March 2020.

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within this accounting policies.

The financial statements have been prepared in British Pounds, which is the company's functional currency and rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Accounting estimates have been used in the valuation of the employee stock options granted under Employee Stock Options Plan 2016 using the Black Scholes Options Pricing Model.

Going concern basis

In assessing whether the financial statements for the Company should be prepared on the going concern basis, the directors have considered the future outlook of the Company. The Directors have considered the future operating profits, cash flows and facilities available.

The Company had £1.5 million of cash available on its balance sheet at 31 March 2020. The cash balance has slightly increased by £1.2 million and stands at £2.7 million as at 31 May 2020. The Company has net current assets and positive shareholder's funds of £3.74 million as at 31 March 2020.

Budgeted customer collections for the financial year ended 31 March 2021 were initially forecasted at 9% growth. This was scaled down to decline of 3% to include the impact of Covid-19. The company is on track to meet the first quarter budget (pre-Covid-19 budget level). The company caters clients in the banking and finance, insurance, retail, hospitality and other verticals. The verticals that are affected by Covid-19 pandemic are offset by new deals appearing due to the greater need for digitalisation of the business. The Company has a robust pipeline for the next financial year.

Based on the negotiations with the main customers and review of the ongoing IT projects and our pipeline post Covid-19, the Company does not expect significant decline in revenue or profit for the year ended 31 March 2021 compared to the prior year. Under this scenario the Company is expected to generate positive operating cash flow for the year ending 31 March 2021. The main assumptions used the model are as follows:

1. **Delay in collections from customers** - the Company has accounted for a possible delay in collections from customers, as per current experience;
2. **Risk of customer cancelling contracts:**
 - Most of the license revenue is locked for FY21 and the contracts are uncancellable. Even if few of the projects are delayed, our strength in winning the new clients and turning the projects around in short span of time, provides the comfort of achieving target, hence no significant reduction in revenue or collection is planned.
 - The nature of the business of the Company is to provide digital integration services and single platform for client IT solutions, hence these services are critical to the customers
3. **Furlough** - The Company has availed the benefits under government furlough scheme in April and May 2020 for about 20% of its employees due to several projects being delayed.
4. **Travel or other operating disruptions** – In the past couple of months under Covid-19 impact, we have continued our operations successfully and are confident of handling similar situations in future successfully. All our deliveries and obligations are successfully met by our employees working from home.

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

5. **Deferral of VAT/other taxes** – As of now the Company has not availed the benefit of deferral of VAT and other taxes.
6. **No parent company or further external financing is required.**

The Company's three year forward scenario, which takes into consideration the current environment and the potential impact of Covid-19, shows that we are expected to remain profitable and generate positive cash flows for the foreseeable future. As a result, the directors have prepared these financial statements on a going concern basis.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

For any contract, revenue is recognised only when a signed contract exists, and the collection of the associated receivable is considered probable.

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and the costs incurred and the costs to complete the contract can be measured reliably.

Revenue recognition criteria for different revenue streams is as follows:

- License - revenue is recognised on the margin earned from the sale of license to the customer. Revenue is recognised when there is a right to consideration, when delivery to the customer has occurred and there are no significant vendor obligations remaining.
- Managed services - revenue is recognized over the period of implementation of the solution. Input method i.e. cost based percentage completion method is used for calculation of the value to be recognized. Support or maintenance related portion of the managed services revenue would be spread over the period of contract or until such services are to be rendered.
- Long term maintenance contracts - revenue is recognised in equal instalments over the period of the contract.
- Time and material contracts - revenue is recognised on basis of billable efforts.
- Other income - all the recharges to customers in addition to the services rendered.

Operating lease rentals

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All foreign exchange differences are included to the income statement.

Share based payments

The parent company, WHISHWORKS IT Consulting Private Limited, India, has introduced an employee stock option plan. Certain employees of the Company are awarded options over the shares of the parent.

In accordance with FRS 102, the fair value of these options using the Black-Scholes model is recognised as an expense, with a corresponding increase in other reserves. The total amount to be expensed over the vesting period is determined by reference to the fair market value of the options granted. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest and recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

In the event that options are granted with an exercise price lower than the prevailing market price at grant date, and when WHISHWORKS IT Consulting Private Limited, India makes a recharge to the Company in respect of share options granted to the Company's employees, these inter-company charges are offset in other reserves against the relevant capital contribution. This capital contribution does not represent any actual cash investment by WHISHWORKS IT Consulting Private Limited in WHISHWORKS Limited and has been accounted solely for the purpose of reporting in accordance with FRS 102.

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

Current and deferred taxation

Tax is recognised in the income statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are off set and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the income statement when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected economic useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit. The principal expected useful lives used are as follows:

Motor Vehicles	Straight line over 5 years
Computer Equipment	Straight line over 2 - 5 years
Office Equipment	Straight line over 5 years

Financial liabilities

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Transactions with group undertakings and related parties

	2020	2019
	£	£
Amounts owed to group undertakings	1,896,917	175,963
Amounts owed to related parties	189,970	103,311
	2,086,887	279,274

Financial Reporting Standard 102 - Reduced Disclosure Exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv) in respect of reconciliation of the number of shares outstanding at the beginning and end of the period;
- the requirements of Section 7 Statement of Cash Flows in respect of preparation of statement of cash flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d) in respect of presentation of statement of cash flows in the financial statements;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7 in respect of the non-disclosure of key management personnel compensation in total.

The Company is a wholly owned subsidiary of a group headed by NIIT Technologies Limited, India. NIIT Technologies Limited, India prepares consolidated financial statements and copies can be obtained from 8 Balaji Estate, Third Floor, Guru Ravidas Marg, Kalkaji, New Delhi – 110019, India. Full consolidated financials can also be obtained for NIIT Technologies Limited, India, from that Company's website at the following address, <http://www.niit-tech.com/investors/financial-reports>.

Post balance sheet events

Any post year end event that provides additional information about the company's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post year end events that are not adjusting events, if any, are disclosed when material to the financial statements.

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

3 Turnover	2020	2019
	£	£
Sales	17,459,174	13,855,057
	17,459,174	13,855,057

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

	2020	2019
	£	£
Within UK	15,422,039	12,557,368
Europe	1,073,603	1,001,119
Rest of the World	963,532	296,570
	17,459,174	13,855,057

4 Operating profit

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

	2020	2019
	£	£
Operating leases expense	113,954	225,399
Depreciation charge: plant and machinery	29,661	25,747
Exchange difference	(140,872)	60,098
Defined contribution pension cost	83,934	33,852

5 Auditor's remuneration

	2020	2019
	£	£
Audit of the financial statements	41,304	35,000

The amount of £ 35,000 represents amount paid to previous auditor.

6 Staff costs

	2020	2019
	£	£
Wages and salaries	5,695,232	4,102,790
Social security costs	509,294	347,344
Pension costs, defined contribution plan	83,934	33,852
Other staff related expenses	243,681	170,090
	6,532,141	4,654,076

Average number of employees during the year

	Number	Number
Administration and technical staff	81	62
	81	62

Pension costs

The Company operates a Defined Contribution Pension Scheme with NEST pension. The pension cost charge represents contributions payable by the company to the NEST Pension Scheme and amounts to £83,934 (2019: £33,852).

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

Directors emoluments	2020	2019
	£	£
Aggregate remuneration	206,000	-
<p>The above remuneration relates to 1 director (2019: Nil). Other two directors received no remuneration for their qualifying services in the current year (2019: Nil).</p>		
7 Other operating income (expenses)	2020	2019
	£	£
Exchange difference	140,872	(60,098)
	140,872	(60,098)
8 Other interest receivable and similar income	2020	2019
	£	£
Interest receivable and other income	711	22,516
	711	22,516
9 Tax on profit on ordinary activities	2020	2019
	£	£
UK corporation tax	711,352	755,369
Adjustment in respect of prior years	-	(26,818)
Total current tax charge	711,352	728,551
Deferred tax		
Origination and reversal of timing differences	8,516	-
Total deferred tax	8,516	-
Tax charge on profit on ordinary activities	719,868	728,551
Factors affecting tax charge for the year	2020	2019
	£	£
Profit on ordinary activities before tax	3,731,967	3,968,707
Profit on ordinary activities at the standard rate of UK corporation tax 19% (2019: 19%)	709,074	754,054
Expenses not deductible for tax purposes	2,278	1,315
Adjustments in respect of prior years	-	(26,818)
Tax charge for the year	711,352	728,551
	2020	2019
	£	£
Accelerated capital allowances	8,516	-
Deferred tax asset	8,516	-

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

	2020	2019
	£	£
Deferred tax asset as at 1 April	-	-
Deferred tax credit to profit for the period	8,516	-
Deferred tax asset as at 31 March	8,516	-

10 Tangible fixed assets

	Plant and machinery £	Motor Vehicles £	Total £
Cost			
At 1 April 2019	95,013	73,030	168,043
Additions	24,019	-	24,019
Disposals	-	(73,030)	(73,030)
At 31 March 2020	119,032	-	119,032
Accumulated depreciation			
At 1 April 2019	42,955	38,797	81,752
Charge for the year			
Owned asset	31,258	-	31,258
On disposals	-	(38,797)	(38,797)
At 31 March 2020	74,213	-	74,213
Net book values			
At 31 March 2019	52,058	34,233	86,291
At 31 March 2020	44,819	-	44,819

11 Debtors: amounts falling due within one year

	2020	2019
	£	£
Trade debtors	7,395,760	6,056,957
Prepayments and accrued income	60,281	63,339
Other debtors	1,557,987	258,088
Loan to director	-	583,047
	9,014,028	6,961,431

Loan to director represents an amount of £880,000 given in March 2018 bearing an interest rate of 2.5% per annum which was repaid partly at various dates. The amount of loan outstanding as on 31st March 2019 was fully repaid in May 2019.

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

12 Cash at bank and in hand	2020	2019
	£	£
Cash in hand	2,457	1,207
Cash at bank	1,480,794	2,940,540
	1,483,251	2,941,747

13 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	1,138,603	1,736,152
Amounts owed to group undertakings	1,896,917	175,963
Amounts owed to related parties	189,970	103,311
Corporation tax	489,276	576,417
Deferred tax	8,516	-
PAYE & social security	-	96,121
Accrued expenses	410,644	381,292
Deferred income	492,878	605,706
Other creditors	1,313,971	32,057
VAT	861,574	1,096,811
	6,802,349	4,803,830

14 Creditors: amounts falling due after more than one year	2020	2019
	£	£
Obligations under HP/Financial Leases	-	35,731
	-	35,731

Obligations under HP/Finance leases are secured by the related leased assets. The leased asset has been sold during the year and the lease was closed.

15 Share Capital	2020	2019
	£	£
Called up, allotted, and fully paid	100	100
100 Class A Shares of £ 1.00 each	100	100

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

16 Retained earnings	2020	2019
	£	£
Opening balance as on 1 April	5,149,808	1,909,652
Total comprehensive income	3,012,099	3,240,156
Dividends paid during the year	(4,500,000)	-
Closing balance as on 31 March	3,661,907	5,149,808

Dividend	2020	2019
	£	£
Declared and paid during the year		
Ordinary shares:		
Interim paid: £45,000 per 1 share (2019: Nil)	4,500,000	-

17 Other reserves

Pursuant to a resolution passed by the members of WHISHWORKS IT Consulting Private Limited (Holding Company) in their annual general meeting held on 30 September 2016, the Company instituted an Employee Stock Option Plan by name of “WHISHWORKS Stock Employee Plan – 2016” (ESOP scheme). The said Scheme has been formulated in consultation with the Board of Directors and the Company had resolved to issue equity shares not more than 5% of the issued equity share capital of the company (WHISHWORKS IT Consulting Private Limited).

During the financial year 2016-17, the parent’s Compensation Committee had granted 10,939 stock options to eligible employees of the WHISHWORKS Limited and the parent company, at an exercise price of INR Rs.30 per equity share, of which 6,545 stock options are outstanding as at 31 March 2020 (2019: 10,191). The options granted under the ESOP scheme shall vest upon successful completion of continuous service with the company until 31 March 2021 and based on the achievement of certain performance targets set by the management for the eligible employees for the said period.

Out of the total number of ESOP options WHISHWORKS Limited employees hold 4,978 stock options are outstanding as at 31 March 2020 (2019: 8,115). The total cost i.e., INR 7.2 million (£77,742) of ESOP options as on 31 March 2020 charged to WHISHWORKS Limited from 7 November 2016 to 31 March 2020 and accounted as other reserves in the financial year .

The aforesaid Scheme was further modified by way of board resolution passed by WHISHWORKS IT Consulting Private Limited on 27 March 2019 and accordingly the period of vesting for ESOP options to the extent of 30% was modified to be 14 May 2019 (as against the original vesting period of 31 March 2020) and for the remaining 70% options, the vesting period was extended to 31 March 2021.

A reconciliation of option movements over the year to 31 March 2020 is shown below:

	2020	2020	2019	2019
	Number	Weighted average exercise price INR Rs	Number	Weighted average exercise price INR Rs
Outstanding at 1 April	8,115	30	8,115	30
Granted	-	-	-	-
Lapsed	(849)	30	-	-
Exercised	(2,288)	30	-	-
Outstanding at 31 March	4,978	30	8,115	30
Exercisable at 31 March	4,978	30	8,115	30

WHISHWORKS Limited
Notes to the Financial Statements (Continued)
For the year ended 31 March 2020

18 Related party transactions

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that it is a subsidiary and consolidated financial statement are prepared by the ultimate parent company, NIIT Technologies Limited, India. The consolidated financial statements published by the parent company are publicly available. There are no related parties' transactions other than those within the NIIT group.

19 Ultimate holding company and controlling party

WHISHWORKS IT Consulting Private Limited, which is incorporated and registered in the India, is the immediate parent company. The ultimate parent company and controlling party is NIIT Technologies Limited, India a Company registered in India, which is the parent of the smallest and largest group to consolidate these financial statements. NIIT Technologies Limited, India prepares consolidated financial statements and copies can be obtained from 8 Balaji Estate, Third floor, Guru Ravidas Marg, Kalkaji, New Delhi - 110019, India. Full consolidated financial statements can also be obtained for NIIT Technologies Limited, India, from that Company's website at the following address, <http://www.niit-tech.com/investors/financial-reports>.

20 Post Statement of Financial Position Events

There have been no significant events affecting the Company since the year end.