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# Bywater Limited

## Report and Financial Statements

30 June 2013

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COMPANIES HOUSE

## Bywater Limited

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### **Directors**

Prahlad Rai Bansal  
Sandip Gupta

### **Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

### **Registered Office**

Axon Centre  
4-12 Church Road  
Egham  
Surrey TW20 9QB

Registered No 1610968

## Directors' report

The directors have pleasure in presenting their report and the audited financial statements of Bywater Limited (hereinafter referred as "HCL" or "The Company") for the year ended 30 June 2013

### Principal activities and review of the business

The Company's principal activity was the provision of consultancy and training services in all aspects of business transformation. The Company is currently not an operational entity.

The highlights of the financial results of the Company ("KPI") during the year are as under

|  | 2013         | 2012          |
|--|--------------|---------------|
|  | £            | £             |
| Other operating income                               | 9,813        | 10,021        |
| Other operating cost                                 | -            | -             |
| <b>Profit on ordinary activities before taxation</b> | <b>9,813</b> | <b>10,021</b> |
| Tax on profit on ordinary activities                 | -            | -             |
| <b>Profit for the financial year</b>                 | <b>9,813</b> | <b>10,021</b> |

### Dividend

During the financial year, the directors do not recommend the payment of dividend.

### Directors

The directors who served during the year and up to the date of signing the financial statements are as follows

Prahlad Rai Bansal  
Sandip Gupta

### Future developments

The directors do not foresee any change in the principal activity of the Company in the foreseeable future.

### Principal risks and uncertainties

The Board believes that the company's interest rate risk is minimal due to the short-term nature of current borrowings. If longer term debt funding is required in the future, the Board will introduce a policy which mitigates this risk. The company's credit risk is minimal as it has no exposure to third party receivables.

Cash flow performance is monitored on an ongoing basis by the Board. Debt facilities have been established at a Group level to fund future cash flow requirements.

The company's exchange risk is low, with the largest item on the balance sheet being investments in subsidiary undertakings, which are denominated in Pounds sterling.

### Going concern

The company has sufficient assets to meet its current and future obligations. Hence the financial statements have been prepared on the going concern basis and directors have a reasonable expectation that with the sufficient assets, the company will continue in operational existence for the foreseeable future.

## Directors' report

### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General meeting for the reappointment of Ernst & Young LLP as auditor of the company.

On behalf of the board



Prahlad Rai Bansal  
Director

11 OCT 2013

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 judgments and estimates that are reasonable and prudent, and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Independent auditor's report**

**To the members of Bywater Limited**

We have audited the financial statements of Bywater Limited for the year ended 30 June 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

## **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 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.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Independent auditor's report

To the members of Bywater Limited

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

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



Michael Wansbury (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

15 OCT 2013

## Profit and loss account

for the year ended 30 June 2013

|  |          | 2013         | 2012          |
|--|----------|--------------|---------------|
|  | Notes    | £            | £             |
| Other operating income                               |          | 9,813        | 10,021        |
| Other operating cost                                 |          | —            | —             |
| <b>Profit on ordinary activities before taxation</b> | <b>2</b> | <b>9,813</b> | <b>10,021</b> |
| Tax on profit on ordinary activities                 | 4        | —            | —             |
| <b>Profit for the financial year</b>                 | <b>7</b> | <b>9,813</b> | <b>10,021</b> |


There are no recognised gains and losses other than those passing through the profit and loss account



## Balance sheet

at 30 June 2013

|                             | Notes | 2013<br>£        | 2012<br>£        |
|-----------------------------|-------|------------------|------------------|
| <b>Current assets</b>       |       |                  |                  |
| Debtors                     | 5     | <u>1,705,337</u> | <u>1,695,525</u> |
| <b>Net current assets</b>   |       | <u>1,705,337</u> | <u>1,695,525</u> |
| <b>Capital and reserves</b> |       |                  |                  |
| Called up share capital     | 6     | 55,369           | 55,369           |
| Share premium account       | 7     | 8,965            | 8,965            |
| Profit and loss account     | 7     | <u>1,641,003</u> | <u>1,631,191</u> |
| <b>Shareholders' funds</b>  | 8     | <u>1,705,337</u> | <u>1,695,525</u> |

  
Prahlad Rai Bansal  
Director

Date: 11<sup>th</sup> October, 2013

## Notes to the financial statements

at 30 June 2013

### 1. Accounting policies

#### *Basis of preparation*

The financial statements have been prepared under the historical cost convention in accordance with United Kingdom applicable accounting standards. The financial statements are presented in Pounds Sterling (the company's functional currency). The principal accounting policies adopted by the company are set out below.

#### *Going concern*

The company despite cessation of trading has sufficient assets to meet its current and future obligations. Hence the financial statements have been prepared on the going concern basis and the directors have a reasonable expectation that with the sufficient assets, the company will continue in operational existence for the foreseeable future.

#### *Statement of cash flows*

The company is a wholly owned subsidiary company of a group headed by HCL Technologies Limited and is included in the group financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 'Cash flow statements (revised)' from preparing a statement of cash flows.

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *Foreign currencies*

Foreign currency transactions are booked in local currency at the exchange rate ruling at the date of transaction. Foreign currency monetary assets and liabilities are retranslated into local currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in the profit and loss account.

### 2. Profit on ordinary activities before taxation

Other operating income represents the gains on foreign currency intercompany balances outstanding. Other operating expense represents the losses on foreign currency intercompany balances outstanding.

Auditor's remuneration is borne by a fellow group undertaking, Axon Solutions Limited, both in the current and previous year.

### 3. Staff costs

All the directors of the company are also directors in other group companies within the HCL group and all of these companies together are viewed as one business unit and their remuneration is paid by the ultimate parent undertaking. The directors do not believe that it is practicable to apportion the amount between their services as directors of the company and their services as directors of other group companies within the HCL group.

The company has no employees other than the directors (2012 – nil). Hence staff cost during the year is £nil (2012 – £nil).

## Notes to the financial statements

at 30 June 2013

### 4. Tax

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| <b>Current tax.</b>                                       |           |           |
| UK corporation tax on the profit for the year (note 4(b)) | –         | –         |
| Tax on profit on ordinary activities                      | –         | –         |

#### (b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23.75% (2012 – 25.50%). The differences are explained below

|  | 2013<br>£ | 2012<br>£ |
|--|-----------|-----------|
| Profit on ordinary activities before tax   | 9,813     | 10,021    |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.75% (2012 – 25.50%) | 2,331     | 2,555     |
| <b>Effects of</b>  |           |           |
| Group relief   | (2,331)   | (2,555)   |
| Current tax for the year (note 4(a))   | –         | –         |

Announcements have been made by the Chancellor of the Exchequer of proposed changes to corporation tax rates which will have an effect on the future tax charge of the company. Reductions in the corporation tax rate to 21% from 1 April 2014 and 20% from 1 April 2015 have been announced but not substantively enacted at the balance sheet date.

### 5 Debtors

|                                    | 2013<br>£ | 2012<br>£ |
|------------------------------------|-----------|-----------|
| Amounts owed by group undertakings | 1,705,337 | 1,695,525 |

### 6 Issued share capital

|   | No               | 2013<br>£     | No               | 2012<br>£     |
|---|------------------|---------------|------------------|---------------|
| <i>Allotted, called up and fully paid</i> |                  |               |                  |               |
| Class 'A' Ordinary shares of 5p each      | 1,016,982        | 50,849        | 1,016,982        | 50,849        |
| Class 'B' Ordinary shares of 4p each      | 113,000          | 4,520         | 113,000          | 4,520         |
|   | <u>1,129,982</u> | <u>55,369</u> | <u>1,129,982</u> | <u>55,369</u> |

All shares rank *pari passu* in all respects save that if a dividend is declared on the 'A' ordinary shares there will be no obligation to declare any or a corresponding dividend on the 'B' ordinary shares and if a dividend is declared on the 'B' ordinary shares there will be no obligation to declare any or a corresponding dividend on the 'A' ordinary shares.

## Notes to the financial statements

at 30 June 2013

### 7. Movements on reserves

|                               | <i>Share<br/>premium<br/>£</i> | <i>Profit and<br/>loss<br/>account<br/>£</i> |
|-------------------------------|--------------------------------|--|
| At 1 July 2012                | 8,965                          | 1,631,191                                    |
| Profit for the financial year | –                              | 9,813  |
| At 30 June 2013               | <u>8,965</u>                   | <u>1,641,004</u>                             |

### 8. Reconciliation of shareholders' funds

|                               | <i>2013<br/>£</i> | <i>2012<br/>£</i> |
|-------------------------------|-------------------|-------------------|
| Profit for the financial year | 9,813             | 10,021            |
| Opening shareholders' funds   | 1,695,525         | 1,685,504         |
| Closing shareholders' funds   | <u>1,705,338</u>  | <u>1,695,525</u>  |

### 9. Related party transactions

The company has taken advantage of the exemption available in FRS 8 from disclosing transactions with related parties that are part of the HCL group, on the basis that 100% of the company's voting rights are controlled within the group and consolidated financial statements in which the company is included are publically available

### 10. Ultimate parent undertaking and controlling party

The immediate parent undertaking of the company is Axon Group Limited

The ultimate parent undertaking and controlling party is HCL Technologies Limited, a company incorporated in India

The largest and smallest group of undertakings for which group financial statements have been consolidated is that headed by HCL Technologies Limited. Copies of these financial statements can be obtained from A-2, Sector 3, Noida, Uttar Pradesh – 201 301 India