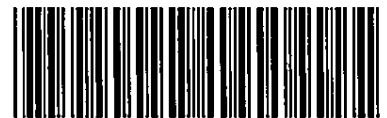


3647007

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2009**  
**FOR**  
**HEXAWARE TECHNOLOGIES UK LIMITED**

SATURDAY



\*AN4ZJIUV\*

A14

03/04/2010

527

COMPANIES HOUSE

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2009**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>5</b>
<b>Balance Sheet</b>	<b>6</b>
<b>Cash Flow Statement</b>	<b>7</b>
<b>Notes to the Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9</b>
<b>Trading and Profit and Loss Account</b>	<b>13</b>

---

**HEXAWARE TECHNOLOGIES UK LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST DECEMBER 2009**

**DIRECTORS**

S Surya  
A Nishar  
A A Nishar

**SECRETARY**

R Visvanathan

**REGISTERED OFFICE:**

Walmar House  
288-292 Regent Street  
London  
W1B 3AL

**REGISTERED NUMBER:**

03647007 (England and Wales)

**AUDITORS:**

Butler & Co  
Chartered Accountants  
& Registered Auditors  
3rd Floor Walmar House  
288-292 Regent Street  
London  
W1B 3AL

## **HEXAWARE TECHNOLOGIES UK LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31ST DECEMBER 2009**

The directors present their report with the financial statements of the company for the year ended 31st December 2009

#### **PRINCIPAL ACTIVITY**

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

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are shown in the annexed financial statements

On 1st September 2009, the company acquired all assets, liabilities and business of Risk Technologies UK Ltd, a related undertaking

On 1st October 2009, the company acquired all assets, liabilities and business of Focusframe UK Ltd, a related undertaking

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31st December 2009

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2009 to the date of this report

S Surya  
A Nishar  
A A Nishar

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

The company made a non-political donation of £100 during the year

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

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

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**HEXAWARE TECHNOLOGIES UK LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2009**

**AUDITORS**

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

**ON BEHALF OF THE BOARD**

A handwritten signature in black ink, appearing to read 'S Surya', is written over a horizontal line.

S Surya - Director

28th January 2010

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF**  
**HEXAWARE TECHNOLOGIES UK LIMITED**

We have audited the financial statements of Hexaware Technologies UK Limited for the year ended 31st December 2009 on pages five to twelve. 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 Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st December 2009 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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.

S Phadke (Senior Statutory Auditor)  
for and on behalf of Butler & Co  
Chartered Accountants  
& Registered Auditors  
3rd Floor Walmar House  
288-292 Regent Street  
London  
W1B 3AL



28th January 2010

**HEXAWARE TECHNOLOGIES UK LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>		5,900,672	11,400,846
Cost of sales		3,247,902	8,545,680
<b>GROSS PROFIT</b>		2,652,770	2,855,166
Administrative expenses		2,530,484	2,807,431
		122,286	47,735
Other operating income		-	180,536
<b>OPERATING PROFIT</b>	3	122,286	228,271
Interest receivable and similar income		30,368	72,515
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		152,654	300,786
Tax on profit on ordinary activities	4	-	89,547
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		152,654	211,239

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

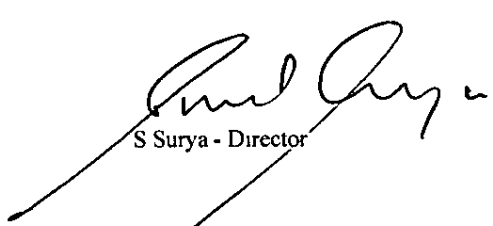
The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

**HEXAWARE TECHNOLOGIES UK LIMITED****BALANCE SHEET  
31ST DECEMBER 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	5	26,271	59,065
<b>CURRENT ASSETS</b>			
Debtors	6	2,392,767	2,954,821
Cash at bank and in hand		2,517,215	1,992,466
		<u>4,909,982</u>	<u>4,947,287</u>
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>1,552,030</u>	<u>1,630,172</u>
<b>NET CURRENT ASSETS</b>		<u>3,357,952</u>	<u>3,317,115</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>3,384,223</u></u>	<u><u>3,376,180</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	3,067,000	3,067,000
Profit and loss account	10	<u>317,223</u>	<u>309,180</u>
<b>SHAREHOLDERS' FUNDS</b>	13	<u><u>3,384,223</u></u>	<u><u>3,376,180</u></u>

The financial statements were approved by the Board of Directors on 28th January 2010 and were signed on its behalf by



S Surya - Director

The notes form part of these financial statements



**HEXAWARE TECHNOLOGIES UK LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

	Notes	2009 £	2008 £
<b>Net cash inflow from operating activities</b>	1	544,708	255,950
<b>Returns on investments and servicing of finance</b>	2	30,368	72,515
<b>Taxation</b>		(51,185)	159,791
<b>Capital expenditure</b>	2	(2,393)	(53,082)
		<u>521,498</u>	<u>435,174</u>
<b>Financing</b>	2	3,251	6,248
<b>Increase in cash in the period</b>		<u>524,749</u>	<u>441,422</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Increase in cash in the period		<u>524,749</u>	<u>441,422</u>
Change in net funds resulting from cash flows		<u>524,749</u>	<u>441,422</u>
<b>Movement in net funds in the period</b>		524,749	441,422
<b>Net funds at 1st January</b>		<u>1,992,466</u>	<u>1,551,044</u>
<b>Net funds at 31st December</b>		<u>2,517,215</u>	<u>1,992,466</u>

The notes form part of these financial statements

**HEXAWARE TECHNOLOGIES UK LIMITED****NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2009****1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2009	2008
	£	£
Operating profit	122,286	228,271
Depreciation charges	36,174	35,183
Amounts owed to group undertakings	34,697	(1,266,815)
Payment on account	-	(57,451)
Decrease in debtors	558,683	810,542
(Decrease)/Increase in creditors	(207,132)	506,220
<b>Net cash inflow from operating activities</b>	<b>544,708</b>	<b>255,950</b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2009	2008
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	30,368	72,515
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>30,368</b>	<b>72,515</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(2,393)	(53,082)
<b>Net cash outflow for capital expenditure</b>	<b>(2,393)</b>	<b>(53,082)</b>
<b>Financing</b>		
Amount introduced by directors	3,426	6,248
Amount withdrawn by directors	(175)	-
<b>Net cash inflow from financing</b>	<b>3,251</b>	<b>6,248</b>

**3 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/09	Cash flow	At
	£	£	31/12/09
			£
Net cash			
Cash at bank and in hand	1,992,466	524,749	2,517,215
	<u>1,992,466</u>	<u>524,749</u>	<u>2,517,215</u>
<b>Total</b>	<b><u>1,992,466</u></b>	<b><u>524,749</u></b>	<b><u>2,517,215</u></b>

The notes form part of these financial statements

## **HEXAWARE TECHNOLOGIES UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31ST DECEMBER 2009**

#### **1 ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention

##### **Turnover**

Turnover represents the invoiced amounts of services provided and it is stated net of Value Added Tax. The turnover and profit is attributable to the principal activity of the company.

##### **Tangible fixed assets**

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

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

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### **2 STAFF COSTS**

	2009 £	2008 £
Wages and salaries	2,527,053	3,577,897
Social security costs	294,609	319,117
	<u>2,821,662</u>	<u>3,897,014</u>

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

	2009	2008
Office Management	15	15
Software consultants	48	74
	<u>63</u>	<u>89</u>

#### **3 OPERATING PROFIT**

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

	2009 £	2008 £
Depreciation - owned assets	36,174	35,183
Auditors' remuneration	11,830	10,000
Foreign exchange differences	61,685	(180,536)
	<u>251,442</u>	<u>276,705</u>

**HEXAWARE TECHNOLOGIES UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009****3 OPERATING PROFIT - continued**

Information regarding the highest paid director is as follows

	2009 £	2008 £
Emoluments etc	<u>161,875</u>	<u>150,894</u>

**4 TAXATION****Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	2009 £	2008 £
Current tax		
UK corporation tax	-	89,547
Tax on profit on ordinary activities	<u>-</u>	<u>89,547</u>

**5 TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1st January 2009	64,612	11,087	50,376	56,335	182,410
Additions	-	418	-	1,975	2,393
Disposals	-	(7,177)	(17,566)	(49,576)	(74,319)
Reclassification/transfer	-	-	-	5,415	5,415
At 31st December 2009	<u>64,612</u>	<u>4,328</u>	<u>32,810</u>	<u>14,149</u>	<u>115,899</u>
<b>DEPRECIATION</b>					
At 1st January 2009	38,621	8,246	27,442	49,036	123,345
Charge for year	25,991	1,152	4,080	4,951	36,174
Eliminated on disposal	-	(7,177)	(17,566)	(49,576)	(74,319)
Reclassification/transfer	-	-	-	4,428	4,428
At 31st December 2009	<u>64,612</u>	<u>2,221</u>	<u>13,956</u>	<u>8,839</u>	<u>89,628</u>
<b>NET BOOK VALUE</b>					
At 31st December 2009	<u>-</u>	<u>2,107</u>	<u>18,854</u>	<u>5,310</u>	<u>26,271</u>
At 31st December 2008	<u>25,991</u>	<u>2,841</u>	<u>22,934</u>	<u>7,299</u>	<u>59,065</u>

**HEXAWARE TECHNOLOGIES UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009****6 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009	2008
	£	£
Trade debtors	884,678	2,008,951
Other debtors	46,548	128,251
Amounts owed by group undertakings	1,382,363	315,351
Loan to group undertaking	-	431,017
Directors' current accounts	50,108	53,479
Prepayments	29,070	17,772
	<u>2,392,767</u>	<u>2,954,821</u>

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009	2008
	£	£
Trade creditors	111,106	52,515
Amounts owed to group undertakings	207,347	27,052
Tax	14,288	65,473
Social security and other taxes	149,126	106,078
VAT	33,085	254,448
Other creditors	44,491	34,412
Directors' current accounts	55	175
Accrued expenses	992,532	1,090,019
	<u>1,552,030</u>	<u>1,630,172</u>

**8 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2009	2008	2009	2008
	£	£	£	£
Expiring				
Within one year	68,600	107,964	9,961	9,210
Between one and five years	274,400	-	3,031	12,242
	<u>343,000</u>	<u>107,964</u>	<u>12,992</u>	<u>21,452</u>

**9 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid		Nominal value	2009	2008
Number	Class		£	£
3,067,000	Ordinary	£1	<u>3,067,000</u>	<u>3,067,000</u>

**HEXAWARE TECHNOLOGIES UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009****10 RESERVES**

	Profit and loss account £
At 1st January 2009	309,180
Profit for the year	152,654
Purchase of businesses	(144,611)
At 31st December 2009	<u>317,223</u>

**11 ULTIMATE PARENT COMPANY**

The ultimate holding company is Hexaware Technologies Limited, a company incorporated in India

**12 TRANSACTIONS WITH DIRECTORS**

The following loan to directors subsisted during the years ended 31st December 2009 and 31st December 2008

	2009 £	2008 £
<b>S Surya</b>		
Balance outstanding at start of year	53,479	59,552
Balance outstanding at end of year	50,108	53,479
Maximum balance outstanding during year	<u>53,479</u>	<u>59,552</u>

**13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2009 £	2008 £
Profit for the financial year	152,654	211,239
Purchase of businesses	(144,611)	-
<b>Net addition to shareholders' funds</b>	<u>8,043</u>	<u>211,239</u>
Opening shareholders' funds	3,376,180	3,164,941
<b>Closing shareholders' funds</b>	<u>3,384,223</u>	<u>3,376,180</u>

**14 BANK GUARANTEE**

The company's bankers, Royal Bank of Scotland Plc, have given a guarantee to a third party of £38,650 and has a lien on a deposit with the bank of a similar amount