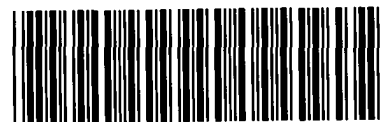


COMPANY REGISTRATION NUMBER 05366382

PNMSOFT UK LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2016

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COMPANIES HOUSE

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PNMSOFT UK LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2016

Company registration number	05366382
The board of directors	G Horvitz
Company secretary	Entity Central Corporate Services (UK) Limited
Registered office	4 th Floor 66 Buckingham Gate London SW1E 6 AU
Auditor	MHA MacIntyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ

PNMSOFT UK LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his report and financial statements for the year ended 31 December 2016.

RESULTS AND DIVIDENDS

The company's profit for the year after taxation amounted to £98,934 (2015: £96,440).

The director does not recommend the payment of any dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company continued to be the provision of computer software and other related services.

We are pleased with the progress the company has made regarding sales, marketing, operations, product implementation, financial performance and customers satisfaction levels. We continue to acquire new well known customers while developing our long lasting relationship with existing customers.

DIRECTORS

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

G Horvitz

A Hofstein (resigned 31st July 2016)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the director is aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

MHA MacIntyre Hudson is deemed to be re-appointed under section 487(2) of Companies Act 2006.

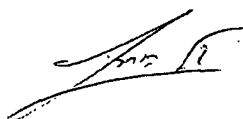
GENERAL MEETINGS

The company has elected not to lay accounts before the members in general meeting. Members, however, may by notice in writing to the company at its registered office require that the accounts are laid before the company in general meeting.

The director has prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board on ...October 24th, 2017.....
and signed on its behalf by

G Horvitz
Director



PNMSOFT UK LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

The director is responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

Under company law the director must not approve the financial statements unless he is 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 director is also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED FOR THE YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of PNMSOFT UK Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 them in an auditors' 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 AUDITORS

As explained more fully in the Statement of Director's 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 (APB'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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, our knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Director's Report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

PNMSOFT UK LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PNMSOFT UK
LIMITED (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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 of the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Director's Report.



Christopher Sutton FCA
Senior Statutory Auditor

For and on behalf of:
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditor

New Bridge Street House
30 - 34 New Bridge Street
London
EC4V 6BJ

26 October 2017

PNMSOFT UK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Revenue	3	5,508,761	5,420,699
Cost of sales		(3,324,317)	(3,561,442)
GROSS PROFIT		2,184,444	1,859,257
Marketing costs		(1,468,510)	(1,321,793)
Administrative expenses		(589,235)	(412,790)
OPERATING PROFIT	4	126,699	124,674
Finance income		3	2
Finance expense		-	-
PROFIT BEFORE TAX		126,702	124,676
Income tax expense	7	(27,768)	(28,236)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		98,934	96,440

The notes on pages 11 to 25 form part of these financial statements.

PNMSOFT UK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Issued capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 January 2016	<u>100</u>	<u>359,998</u>	<u>122,292</u>	<u>482,390</u>
Profit for the year	-	-	98,934	98,934
Total comprehensive income for the year	-	-	98,934	98,934
Balance at 31 December 2016	<u>100</u>	<u>359,998</u>	<u>221,226</u>	<u>581,324</u>

	Issued capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 January 2015	<u>100</u>	<u>359,998</u>	<u>25,852</u>	<u>385,950</u>
Profit for the year	-	-	96,440	96,440
Total comprehensive income for the year	-	-	96,440	96,440
Balance at 31 December 2015	<u>100</u>	<u>359,998</u>	<u>122,292</u>	<u>482,390</u>

The reserves included in equity are retained earnings which relate to the company's cumulative undistributed profit.

The notes on pages 11 to 25 form part of these financial statements.

PNMSOFT UK LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	29,559	32,473
Trade and other receivables	12	40,855	40,855
		<u>70,414</u>	<u>73,328</u>
CURRENT ASSETS			
Trade and other receivables	12	1,862,749	1,743,157
Prepayments	14	77,363	72,424
Cash and cash equivalents	15	971,760	1,911,483
		<u>2,911,872</u>	<u>3,727,064</u>
TOTAL ASSETS		<u>2,982,286</u>	<u>3,800,392</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	16	100	100
Share premium	17	359,998	359,998
Retained profits		221,226	122,292
TOTAL EQUITY		<u>581,324</u>	<u>482,390</u>
PROVISIONS			
Deferred tax	8	5,088	5,817
CURRENT LIABILITIES			
Trade and other payables	18	2,395,874	3,312,185
		<u>2,395,874</u>	<u>3,312,185</u>
TOTAL EQUITY AND LIABILITIES		<u>2,982,286</u>	<u>3,800,392</u>

Approved by the Board on .October 24th .2017.... and signed on its behalf by

G Horvitz
 Director



Company registration number: 05366382

The notes on pages 11 to 25 form part of these financial statements.

PNMSOFT UK LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Total operating profit		126,699	124,676
NON-CASH ADJUSTMENTS			
Depreciation		13,736	9,524
Taxation		(27,768)	(28,236)
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL		<u>112,667</u>	<u>105,964</u>
(INCREASE)/DECREASE IN WORKING CAPITAL			
(Increase) in trade and other receivables		(124,531)	(491,782)
(Decrease)/increase in trade and other payables		(917,040)	1,715,113
(INCREASE)/DECREASE IN WORKING CAPITAL		<u>(1,041,571)</u>	<u>1,223,331</u>
NET CASH (OUTFLOW)/GENERATED BY OPERATING ACTIVITIES		(928,904)	1,329,295
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment		(10,822)	(23,751)
Interest receivable		3	2
Interest payable		-	-
NET CASH USED IN INVESTING ACTIVITIES		<u>(10,819)</u>	<u>(23,749)</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(939,723)	1,305,546
Cash and cash equivalents as at 1 January 2016		1,911,483	605,937
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER 2016	15	<u>971,760</u>	<u>1,911,483</u>

The notes on pages 11 to 25 form part of these financial statements.

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The company's financial statements for the year were authorised for issue on..... and the statement of financial position signed on the board's behalf by Mr G Horvitz. PNMsoft UK Limited is a limited company incorporated and domiciled in England & Wales. The immediate parent company is PNMsoft Limited, a company incorporated and domiciled in Israel. The ultimate parent and holding company is Genpact Limited, a company incorporated and domiciled in Bermuda.

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out in note 2.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

Disclosure of Standards and interpretations issued but not effective yet

The following new and revised accounting standards are not yet endorsed and are not expected to be material to the financial statements.

- IFRS 15 'Revenue from contracts with customers' (effective 1 January 2018)
- IFRS 16 'Leases' (effective 1 January 2019)
- Annual improvements to IFRS 2012-2014 cycle

The director considers that there are no other new or revised standards that are not yet effective that would be expected to have a material impact on the company.

Revenue recognition

Reported revenue consists of software licensing and support and maintenance contracts.

Software licence revenue is recognised when the following conditions have been satisfied;

- The company has transferred to the buyer the significant risks and rewards of the ownership of the licence;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transfer will flow; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

In addition to the criteria above, revenue from support and maintenance and consultancy is recognised when the stage of completion of the rendering of these services can be measured reliably.

2. ACCOUNTING POLICIES (continued)

Amounts received from customers in respect of the future performance of obligations under service contracts are included in deferred income and are only recognised as revenue once the above-mentioned recognition criteria have been met.

All revenue is reported net of discounts, value added tax and other sales taxes.

Interest expense recognition

Interest expense is recognised as interest accrues, using the effective interest rate method.

Foreign currency exchange

The company's functional currency is Pound Sterling, the United Kingdom being the primary economic environment in which the company operates. Transactions in currencies other than the functional currency of the company are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the year end. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

Current and deferred income tax

The tax expense for the period represents the sum of current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantively enacted, by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2. ACCOUNTING POLICIES (continued)

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to allocate the cost or revalued amount of property, plant and equipment to their residual values over their estimated useful lives, using the straight line method, on the following bases:

Plant and equipment	25% per annum
Fixtures and fittings	25% per annum

Financial Instruments

Financial assets and liabilities are recognised on the company's statement of financial position when the company has become party to the contractual provisions of the instrument.

Financial assets

The company classified its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They are included in current assets. The company's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents'. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows

2. ACCOUNTING POLICIES (continued)

Operating lease commitments

Operating leases payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

Significant estimates and judgements

Trade receivables are provided against on a specific basis to the extent that they are considered irrecoverable. No general provisions are made.

No other significant judgements have been made by management in preparing these financial statements.

Share-based payments

The group operates a cash-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, the share price)
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save)

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

3. REVENUE

All revenue arises through the company's principle activities of software licensing and support and maintenance contracts.

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

	2016 £	2015 £
Cost of sales recognised as an expense	<u>3,324,317</u>	<u>3,561,442</u>
Net gains on foreign currency differences	<u>(173,381)</u>	<u>(1,893)</u>
Operating leases: Land and buildings	<u>94,117</u>	<u>76,970</u>
Auditor's remuneration - audit services	13,730	13,500
Auditor's remuneration - taxation services	1,115	2,000
Auditor's remuneration - all other non-audit services	<u>18,664</u>	<u>21,982</u>
	<u>33,509</u>	<u>37,482</u>
	2016 £	2015 £
Included in cost of sales: Employee benefits expense	<u>1,473,398</u>	<u>1,150,342</u>
Included in marketing costs: Employee benefits expense	<u>958,437</u>	<u>864,409</u>
Included in administrative expenses: Employee benefits expense	148,340	90,910
Depreciation	13,736	9,524
Net foreign currency exchange gains	<u>(173,381)</u>	<u>(1,893)</u>
	<u>(11,305)</u>	<u>98,541</u>
Other Expenses	<u>982,987</u>	<u>657,181</u>

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

5. EMPLOYEE EXPENSES

	2016	2015
	£	£
Wages and salaries	2,202,595	1,880,608
Pension contributions	48,957	9,600
Benefits in kind	350	246
Social security costs	328,623	215,453
	<u>2,580,525</u>	<u>2,105,907</u>

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

	2016	2015
	No.	No.
Sales and Administration	<u>35</u>	<u>33</u>

6. KEY MANAGEMENT COMPENSATION

	2016	2015
	£	£
Directors' remuneration	-	-
Benefits in kind	-	-
Pension contributions	-	-
Directors' emoluments	<u>-</u>	<u>-</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2016	2015
	No.	No.
Money purchase schemes	<u>-</u>	<u>-</u>

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

7. INCOME TAX

Components of income tax expense

	2016 £	2015 £
Total income tax expense		
Income tax charge	28,497	25,242
Deferred tax (credit)/charge	(729)	2,994
	<u>27,768</u>	<u>28,236</u>

Reconciliation of income tax charge to accounting profit

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>126,702</u>	<u>124,676</u>
Profit on ordinary activities by rate of tax: 20% (2015: 20.25%)	25,340	25,243
Permanent differences	2,719	3,182
Marginal relief	-	(154)
Temporary timing differences	(291)	(35)
Total tax	<u>27,768</u>	<u>28,236</u>

8. DEFERRED TAX

A deferred tax liability of £5,088 (2015: £5,817) exists at the year end date made up of the following:

	2016 £	2015 £
Accelerated capital allowances	<u>5,088</u>	<u>5,817</u>

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

9. PROPERTY, PLANT AND EQUIPMENT

At 31 December 2016

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2016	87,630	37,206	124,836
Additions	9,354	1,468	10,822
At 31 December 2016	<u>96,984</u>	<u>38,674</u>	<u>135,658</u>
Depreciation			
At 1 January 2016	63,771	28,592	92,363
Charge for year	10,792	2,944	13,736
At 31 December 2016	<u>74,563</u>	<u>31,536</u>	<u>106,099</u>
Net book value			
At 1 January 2016	<u>23,859</u>	<u>8,614</u>	<u>32,473</u>
At 31 December 2016	<u>22,421</u>	<u>7,138</u>	<u>29,559</u>

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

At 31 December 2015

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2015	73,716	27,369	101,085
Additions	13,914	9,837	23,751
At 31 December 2015	<u>87,630</u>	<u>37,206</u>	<u>124,836</u>
Depreciation			
At 1 January 2015	55,828	27,011	82,839
Charge for year	7,943	1,581	9,524
At 31 December 2015	<u>63,771</u>	<u>28,592</u>	<u>92,363</u>
Net book value			
At 1 January 2015	<u>17,888</u>	<u>358</u>	<u>18,246</u>
At 31 December 2015	<u>23,859</u>	<u>8,614</u>	<u>32,473</u>

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies

The board considers the company's capital to be its issued share capital and retained reserves. The objective of the company's capital management is to ensure that it maintains strong credit ratings and capital ratios. This will ensure that the business is correctly supported and shareholder value is maximised.

The company manages its capital structure by making appropriate adjustments depending on economic conditions. In order to maintain or adjust the capital structure, the company may choose to change or amend dividend payments to shareholders or issue new share capital to shareholders. There were no changes to the objectives, policies or processes during the years ended 31 December 2016 and 31 December 2015.

Credit risk

The company trades only with recognised, credit worthy customers. All customers who wish to trade on credit are subject to credit verification checks. Customer balances are checked regularly to ensure that the risk of exposure to bad debts is minimised.

Liquidity risk

The company has given responsibility of liquidity risk management to the board who have formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by preparing and monitoring budgets and forecasts and comparison with actual cash flows.

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

The company's main exposure to market related risks come from its exposure to changes in foreign currency exchange rates. The company does not enter into derivative contracts in order to manage this risk as this is not regarded as cost and time efficient.

Foreign currency risk

The company operates internationally and is exposed to foreign exchange risks.

The table below details the sensitivity to possible change in the currency exchange rate, presuming all other variables remaining constant, of the company's profit before tax if there was to be a variance of up to 12% in foreign exchange rates (based on recent historic fluctuations):

Debtors	Balance	Increase/ (decrease) in currency rate	Effect on profit
	£	%	£
31 December 2016			
US Dollar	507,556	13.00	65,982
Euro	273,002	11.00	30,030
Canadian Dollar	<u>458,937</u>	<u>12.00</u>	<u>55,072</u>
31 December 2015			
US Dollar	705,542	7.00	49,388
Euro	382,557	7.00	26,779
Canadian Dollar	<u>58,726</u>	<u>7.00</u>	<u>4,111</u>

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Cash	Balance £	Increase/ (decrease) in currency rate %	Effect on profit £
31 December 2016			
US Dollar	547,066	13.00	71,119
Euro	30,669	11.00	3,374
Canadian Dollar	4,953	12.00	594
31 December 2015			
US Dollar	1,011,300	7.00	70,791
Euro	176,853	7.00	12,380
Canadian Dollar	89,269	7.00	6,249

11. FINANCIAL INSTRUMENTS

	<i>Carrying amount</i>		<i>Fair value</i>	
	2016	2015	2016	2015
	£	£	£	£
Financial assets				
Cash and cash equivalents	971,760	1,911,483	971,760	1,911,483
Trade and other receivables	1,862,749	1,856,436	1,862,749	1,856,436
Financial liabilities				
Trade and other payables	1,696,158	2,694,352	1,696,158	2,694,352

12. TRADE AND OTHER RECEIVABLES

	2016	2015
	£	£
Non current		
Other receivables	10,855	10,855
Restricted cash	30,000	30,000
	<u>40,855</u>	<u>40,855</u>

An amount of £30,000 (2015: £30,000) is held on deposit as security over the company's credit card facility of the same limit. During the year, interest was received on the restricted cash amount of £2 (2015: £2). These amounts are not considered to be a cash and cash equivalent.

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

12. TRADE AND OTHER RECEIVABLES (continued)

	2016 £	2015 £
Current		
Receivable from trade customers	1,268,622	1,567,939
Receivable from related parties	359,464	112,393
Other receivables	64,333	62,825
Accrued income	170,330	-
	<u>1,862,749</u>	<u>1,743,157</u>

For terms and conditions of amounts receivable from related parties see Note 13.

13. RELATED PARTY TRANSACTIONS

Receivable from related parties

	2016 £	2015 £
Receivable from associates (note 12)	<u>359,464</u>	<u>112,393</u>

At 31 December 2016, PNMsoft Portugal - Sociedade Unipessoal, LDA, a company under common control, owed the company £73,029 (2015: £62,461) in relation to expenses met on its behalf.

At 31 December 2016, PNMsoft USA Inc, a company under common control, owed the company £111,489 (2015: £49,932) in relation to expenses met on its behalf.

At 31 December 2016, Pharmalink, a company under common control, owed the company £174,946 (2015: £nil) in relation to purchases made from the company.

Payable to related parties

	2016 £	2015 £
Payable to parent (note 18)	<u>1,656,557</u>	<u>2,650,463</u>

The maximum due to the parent company during the year was £1,656,557 (2015: £2,650,463). The amount owed is unsecured and interest is payable at the parent company's discretion. No interest is accruing on this balance.

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

13. RELATED PARTY TRANSACTIONS (continued)

During the year the company was charged £1,292,959 (2015: £1,990,030) by PNMsoft Limited, the majority shareholder in the company, in respect of management charges.

During the year the company was charged £431,859 (2015: £420,399) by PNMsoft Inc. in respect of employee costs incurred on behalf of the company.

The parent company operates a Stock Option Plan ("the Plan"). Under the Plan, 83,500 options to purchase ordinary shares in that company have been reserved for issuance. Options granted are mainly vested as follows; 25% after the first year, 25% after the second year, 25% after the third year, and 25% after the fourth year, effective from the date of grant.

Certain employees of PNMsoft UK Limited are members of the Plan. During the year 5,000 options were granted to UK employees (2015: Nil), with the total number of unvested options granted to UK employees being nil (2015: 5,000). The exercise price of the options granted prior to surrender was \$8.5378 (2015: \$8.5378). The cost associated with UK employees under the Plan for the year to 31 December 2016 was £10,827 (2015: £1,503 credit), with a total cumulative cost of £21,738 (2015: £10,004) at that date. The cost has been met by the parent company. Per IFRS 2 'Share-based payment' the cost of shares issued to employees of a subsidiary company should be included in the financial statements of the subsidiary. PNMsoft UK Limited has not recognised these costs in its financial statements on the grounds they are immaterial.

All options were surrendered during the year following the acquisition of the company by Genpact Limited.

Ultimate controlling party

The ultimate controlling party is Genpact Limited, a company incorporated in Bermuda. Genpact Limited's principal place of business is Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda.

14. PREPAYMENTS

	2016	2015
	£	£
Current		
Prepayments	<u>77,363</u>	<u>72,424</u>

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

15. CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Amounts held in Pound Sterling	389,072	634,061
Amounts held in Euro	30,669	176,853
Amounts held in US Dollar	547,066	1,011,300
Amounts held in Canadian Dollar	4,953	89,269
	<u>971,760</u>	<u>1,911,483</u>
Cash at bank	<u>971,760</u>	<u>1,911,483</u>

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 31 December 2016.

	2016	2015
	£	£
Cash at bank	<u>971,760</u>	<u>1,911,483</u>

16. SHARE CAPITAL

Issued share capital

	No.	2016 £	No.	2015 £
Issued and fully paid				
Ordinary share capital	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

All issued share capital is classified as equity.

Capital management

The board considers the company's capital to be its issued share capital and retained reserves. The board seeks to ensure that the company remains adequately funded to meet its obligations as a going concern. The company's capital management process involves periodic review of known and forecast income streams and expenditure commitments and the board operates within its net assets buffer to ensure continuing solvency. Net assets at 31 December 2016 were £581,324 (2015: £482,390).

17. RESERVES

Share premium

There is a share premium account of £359,998 (2015: £359,998). This arose on the initial issue of the shares in the company.

PNMSOFT UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

18. TRADE AND OTHER PAYABLES

	2016	2015
	£	£
Payable to trade suppliers	21,903	32,560
Deferred income	194,216	316,980
Other payables	17,698	11,329
Accrued liabilities	308,764	135,657
Tax payable	196,736	165,196
Payable to related parties (Note 13)	1,656,557	2,650,463
	<u>2,395,874</u>	<u>3,312,185</u>

19. OPERATING LEASE COMMITMENTS

As lessee

	2016	2015
	£	£
Less than one year	62,146	67,683
Later than one year but less than five years	139,890	202,020
	<u>202,036</u>	<u>269,703</u>