

WIPRO WEARE4C UK LIMITED

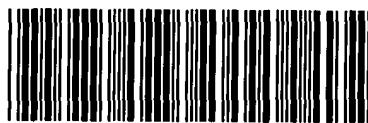
Report and Financial Statements

Period ended

31 March 2023

Company Number 08010708

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WIPRO WEARE4C UK LIMITED

**Report and financial statements
for the period ended 31 March 2023**

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Directors

Barath Subba Sockapa Narayanan
Omkar Bhalchandra Nisal (Appointed on April 7, 2022)

Registered office

Floor 19, 100 Bishopsgate, London, England, EC2M 1GT

Company number

08010708

Auditors

BDO LLP, Arcadia House, Maritime Walk - Ocean Village,
Southampton, SO14 3TL, United Kingdom

WIPRO WEARE4C UK LIMITED

Strategic report
for the period ended 31 March 2023

The directors present their strategic report with the audited financial statements of the company for the year ended 31 March 2023.

Principal activities

The principal activity of the company during the period was a provider of professional and managed IT software services.

Financial performance

The company recorded a net loss after tax of £3,875,820 (2022- loss of £961,889).

The company had turnover of £8,918,722 (2022 - £15,133,478) and a gross loss of £887,335 (2022 - gross profit £869,638). Business focus was on building relations with larger customers and reducing reliance on small sized projects has contributed to decline in turnover. The lead time involved in this transition has led to a lower utilization of employees, which has contributed to the gross loss in current year.

As at year ended 31 March 2023, the company had Net Liabilities of £3,159,943 (2022 - £1,767,456). The rise in net liabilities is attributed to increased reliance on group companies for working capital requirements.

Principal risks and uncertainties

The directors consider that the financial risk relevant to the company are credit risk, cash flow risk and liquidity risk. The company's credit risk is primarily attributable to its trade debtors. The company's cash flow risk is primarily attributable to its exposure to fluctuations in foreign currency exchange rates. The ultimate parent company provides necessary direct financial support in meeting both related party and external liability, thereby mitigating liquidity risk.

The directors have considered increase in inflation and cost of living during the year ended March 2023. However, there is a downward trend in inflation rate in the recent months and the impact on future performance is expected to be insignificant. The directors anticipate that a stable customer profile and expected synergies from integration with the group will help mitigate economic uncertainties for the foreseeable future.

During the year, Cloudsocius DMCC a subsidiary of the company, has ceased trading operations. Hence, the company has assessed and recorded an impairment loss of GBP 2,357,274 on its investment. The impairment loss is the excess of investment over the net book value of the assets of Cloudsocius DMCC .

Financial key performance indicators

The key performance indicators that management monitors are turnover, gross margin, and the operating result. The wider group has considerable financial resources together with long term contracts with a number of customers across different geographic area and industries as a consequence, the directors believe that the company is well placed to manage its business risk with continued support from ultimate parent company.

This report was approved by the board on 4th October 2023 and signed on its behalf.



Barath Subba Sokkapa Narayanan
Director

WIPRO WEARE4C UK LIMITED

Directors' report for the period ended 31 March 2023

The directors present their report and the audited financial statements of the company for the period ended 31 March 2023.

Principal activities

The principal activity of the company during the period was a provider of professional and managed IT software services.

Directors

The directors who served the company during the period and up to the date of this report were as follows:

Barath Subba Sokkapa Narayanan (Appointed 10 August 2020)
Omkar Bhalchandra Nisal (Appointed on 07 April 2022)

Post balance sheet events

After the balance sheet date, there are no events that can have any significant impact on the entity's assets or on the company's ability to continue as a going concern.

Future developments

Given the currently volatile economic environment, future developments in the industry are not yet certain. Since the company is integrated with Wipro systems effective October 2022, revenue is expected to increase in line with wider Wipro Salesforce Practice.

Dividends

In the current period, no dividends were declared (2022 - £ Nil).

Going concern

Wipro Limited, the ultimate parent company, has undertaken to provide financial support through a letter of support governed by and construed in accordance with the laws of England and Wales, if required, to allow the company to pay its debts as and when they fall due for a period of at least 12 months from the date of this report. Directors performed an assessment on parent's ability and financial strength with respect to the required financial support to the entity and concluded that parent is having adequate resources and intention to support the entity.

Wipro 4C NV, the parent company has made an Investment of GBP 2,483,333 in Wipro Weare4C UK Limited to support the operations of Cloudsocius DMCC, wholly owned subsidiary incorporated in UAE. For further detail please refer to the Going concern section in the Accounting Policies in Note 1 of the accounts below.

In consideration of the company's current financial position, review of its budgets and forecasts, on which sensitivity analyses have been performed to reflect possible downside scenarios, and support from its immediate parent as noted above, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the approval of the financial statements. The Directors therefore believe it remains appropriate to continue to prepare the accounts on the going concern basis.

WIPRO WEARE4C UK LIMITED

Directors' report
for the period ended March 31, 2023 (*continued*)

Approval of reduced disclosures

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 Reduced Disclosure Framework as listed in note 1 to these financial statements. The parent company has been notified about the intention to take advantage of the disclosure exemptions and no objections have been received.

Auditor

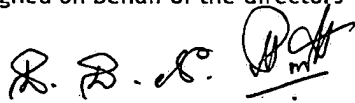
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware.
- The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of 418 of the Companies Act 2006.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Signed on behalf of the directors



Barath Subba Sökkapa Narayanan
Director

4th October 2023

WIPRO WEARE4C UK LIMITED

Directors' responsibilities statement
for the period ended 31 March 2023

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law required 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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; and
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, identify those standards, and note the effect and the reasons for any material departure from those standards.

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 to 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 regularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIPRO WEARE4C UK LIMITED
FOR THE PERIOD ENDED 31 MARCH 2023**

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 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of WIPRO WEARE4C UK LIMITED ("the Company") for the year ended 31 March 2023 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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 the Directors' report have been prepared in accordance with applicable legal requirements.

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 the 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, 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations; and

we considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and General Data Protection Regulation.

Our procedures in respect of the above included:

- Review of minutes of meeting for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud
- Review of minutes of meeting for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

Based on our risk assessment, we considered the areas most susceptible to fraud to be Revenue and Management override of controls.

Our procedures in respect of the above included:

- We obtained an understanding of the legal and regulatory framework in which the company operates. The key laws considered included the Companies Act 2006. We have corroborated our enquiries through review of Board minutes.
- We have evaluated management incentives and opportunities for fraudulent manipulation of the financial statements including management override of controls and the application of revenue recognition at cut-off and considered that the principal risk was related to the posting of inappropriate journal entries to improve the result before tax for the year. We have addressed this by assessing journal entries as part of our planning audit approach.
- We have enquired of management and those charge with governance in respect of known or suspected instances of non-compliance with laws and regulations.

- We have also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available 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.

DocuSigned by:
Arbinder Chatwal
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Arbinder Chatwal (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton, UK

4th October 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

WIPRO WEARE4C UK LIMITED

Income statement
for the 12 month period ended 31 March 2023

	Notes	Period ended 31 March 2023 £	Period ended 31 March 2022 £
Turnover	3	8,918,722	15,133,478
Cost of sales	4	(9,806,056)	(14,263,840)
Gross profit /(loss)		(887,335)	869,638
Administrative expenses	5	(3,848,525)	(2,492,832)
Other income	6	7,847	235,062
Operating loss on ordinary activities before taxation		(4,728,012)	(1,388,132)
Tax on loss on ordinary activities	7	852,193	426,243
Loss for the period/year		(3,875,820)	(961,889)

Other gains and losses

The company has no other comprehensive income other than the loss for the current period and previous year, as such a statement of other comprehensive income is not presented.

The notes on pages 12 to 24 form part of these financial statements.

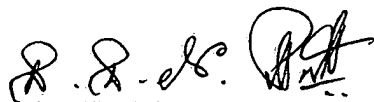
WIPRO WEARE4C UK LIMITED

Statement of financial position
at 31 March 2023

Company number 08010708	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	9		803		11,117
Tangible assets	10		12,217		56,775
Investments	11		136,359		10,300
			<u>149,379</u>		<u>78,192</u>
Current assets					
Debtors	12	3,487,834		3,260,927	
Cash at bank and in hand	13	890,223		1,108,369	
		<u>4,378,056</u>		<u>4,369,296</u>	
Creditors: amounts falling due within one year	14	(1,914,419)		(2,229,800)	
Amounts owed to group undertakings		(4,728,089)		(2,940,581)	
Short term loan	15	(1,217,110)		(1,139,563)	
Net current (liabilities)			<u>(3,481,561)</u>		<u>(1,940,648)</u>
Debtors: amounts falling due after one year	16		-		95,000
Debtors: amounts falling due within one year	19		95,000		-
Total assets less current liabilities			<u>(3,237,182)</u>		<u>(1,767,456)</u>
Provision for other liabilities	17		-		-
Provision for other Assets	20		77,239		-
Net (liabilities)			<u>(3,159,943)</u>		<u>(1,767,456)</u>
Capital and reserves					
Called up equity share capital	18		2,484,333		1,000
Share premium account			99,500		99,500
Profit and loss account			(5,743,776)		(1,867,956)
Shareholders' (deficit)			<u>(3,159,943)</u>		<u>(1,767,456)</u>

The financial statements have been prepared in accordance with the provisions of FRS 102.

The financial statements were approved by the Board of Directors and authorised for issue on 4th October 2023


Barath Subba Sokkapa Narayanan
Director
4th October 2023

WIPRO WEARE4C UK LIMITED

Statement of changes in equity for the period ended 31 March 2023

	Share capital	Share premium	Retained Earnings	Total equity
	£	£	£	£
Balance at January 31, 2021	1,000	99,500	(906,067)	(805,567)
Total profit / (loss) for the year	-	-	(961,889)	(961,889)
Balance at March 31, 2022	1,000	99,500	(1,867,956)	(1,767,456)
Equity Infusion	2,483,333			
Total profit / (loss) for the year	-	-	(3,875,820)	(3,875,820)
Balance at March 31, 2023	2,484,333	99,500	(5,743,776)	(3,159,943)

Wipro 4C NV, the parent company has made an Investment of GBP 2,483,333 in Ordinary shares of £1.00 each in the capital of the Company.

The notes on pages 12 to 24 form part of these financial statements.

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended March 31, 2023

1 Accounting policies

The company is a private company limited by shares and is incorporated in England. The address of its registered office is Floor 19, 100 Bishopsgate, London, England, EC2M 1GT.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The financial statements have therefore been prepared in accordance with FRS 102.

As permitted by FRS 102 Section 1.12 the Company has taken advantage of the disclosure exemptions under standard in relation to financial instruments, related party transactions and Cash Flow Statements.

Comparative information

During current financial period, the Company's financial year is from April 01, 2022 to March 31, 2023 consequently the results are for a 12-month period. The comparatives presented for the year ending March 31, 2022 are for the period of 14 months which are directly comparable with some of balances presented as of March 31, 2023.

Going Concern

The impact of business focus during the year has been on retaining and building relationships with larger customers and less on small projects. Various scenarios assessing the impact on the sales have been modelled and subsequently what the implications would have on cash flow are considered.

It was determined from sensitivity analysis that it would be likely that WIPRO WEARE4C UK LIMITED would need support from its ultimate parent company (Wipro Limited). Wipro Limited, has undertaken to provide financial support, if required, to allow the company to pay its debts as and when they fall due for a period of at least 12 months from the date of this report. Would note that the directors have considered whether Wipro have the ability to provide such support and have no concerns.

Revenue

The revenue shown in the income statement represents amounts receivable for services provided in the period in the normal course of business, net of trade discounts, VAT and other sales and related taxes.

Revenue is spread over the term of the contract to reflect the level of performance achieved at any point in time. Revenue is recognised on the following basis:

- Managed services fees under annual retainer arrangements are recognised as the services are performed on a straight-line basis.
- Professional services fees are recognised on a time and materials basis.
- Referral fees is recognised based on the commission statement received from the trading partner.

Notes forming part of the financial statements
for the period ended March 31, 2023 (*continued*)

1 Accounting policies (*continued*)

Other Income

The other income in the income statement is made up of amounts receivable for any income outside of the normal course of business, this includes:

- Expenses incurred by the company which are recharged to other group undertakings based on the nature of the expense at cost, inclusive of any VAT and other sales and related taxes incurred.
- Expenses incurred by the company whilst performing contracted services, which are then passed onto the customer at cost, inclusive of any VAT and other sales and related taxes incurred.
- Research and development tax amounts receivable under the R&D Expenditure Credit (RDEC) scheme.
- Any other income which would not fall under normal course of business.
- Derecognition of old account payables based on time frame when the obligation to pay for resources is discharged, cancelled, or expired.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivables 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.

Creditors

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

Research and development

Research and development expenditure that does not qualify as an Intangible asset under FRS 102.18, is written off in the year in which it is incurred.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software - 3 to 5 years

Amortisation is included in administrative expenses in the income statement. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended March 31, 2023 (*continued*)

1 Accounting policies (*continued*)

Tangible assets

Tangible assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures and fittings	-	3 years straight line on cost
Equipment	-	3 years straight line on cost

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

Operating lease agreements

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Deferred taxation

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

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, based on all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent of deferred tax liability 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 statement of financial position date.

Government Grants

Grants are accounted for under the accruals model as permitted by FRS102. Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as related expenditure. This includes the Government Coronavirus Job Retention Scheme ('furlough claim').

Notes forming part of the financial statements
for the period ended March 31, 2023 *(continued)*

1 Accounting policies *(continued)*

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are considered in arriving at the operating result.

Financial instruments

The company only enters basic financial instrument transactions that result in the recognition of financial assets and liabilities like debtors, cash at bank and in hand, and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other debtors and creditors, are initially measured at present value of the future cash flows 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 statement of comprehensive income.

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 reporting date.

For financial assets, other than 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 reporting date.

Financial assets and liabilities are offset, 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.

Pensions

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.

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (continued)

1 Accounting policies (continued)

Investments

Investments in the subsidiary company is stated at cost less any identified impairment losses at the end of each reporting period.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Reserves

The Company's reserves are as follows:

- called up share capital reserve represents the nominal value of the shares issued; and
- profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

The movement on reserves represents the profit for the period.

2 Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the period. The directors considered there to be no significant judgements or estimates apart from impairment loss recorded in subsidiary (Refer Note 5).

3 Turnover

	2023 £	2022 £
Professional Services	5,212,124	7,836,269
Managed Service	1,313,853	2,175,701
Intercompany Revenue	2,339,891	4,974,991
Other Revenue	52,854	146,517
	<u>8,918,722</u>	<u>15,133,478</u>

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (continued)

4	Cost of Sales	2023 £	2022 £
	Sub-contracting charges	5,459,376	2,305,278
	Employee related costs	4,346,680	11,958,562
		<u>9,806,056</u>	<u>14,263,840</u>
5	Administrative expenses	2023 £	2022 £
	Utilities	651,435	769,372
	Sales & marketing costs	22,172	101,709
	Payroll related costs	72,675	70,780
	Finance costs	56,873	11,334
	General and administration costs	370,840	900,491
	Legal and Professional fees	146,313	258,611
	Other operating expenses	34,783	380,535
	Impairment	2,357,274	-
	Rates, taxes and insurance	136,161	-
		<u>3,848,523</u>	<u>2,492,832</u>

During the year, Cloudsocius DMCC a subsidiary of the company, has ceased trading operations. Hence, the company has assessed and recorded an impairment loss of GBP 2,357,274 on its investment.

6	Other Income	2023 £	2022 £
	Recharged expenses to group undertakings	-	226,627
	Other Income	7,847	8,435
		<u>7,847</u>	<u>235,062</u>

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (continued)

7	Taxation	2023 £	2022 £
	Corporation tax		
	Current tax credit for the period	660,639	230,732
	Tax credit adjustments in respect of previous periods	191,554	178,169
	Deferred tax credit/(charge)	-	17,342
	Taxation credit/(charge) on loss from ordinary activities	852,193	426,243

Factors affecting tax credit / (charge) for the year

The tax assessed for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%). The differences are explained below:

	2023 £	2022 £
Loss on ordinary activities before tax	(4,728,010)	(1,388,132)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	898,322	263,745
Effects of:		
Deferred tax (credit) not recognised	-	-
Expenses not deductible for tax purpose	(6,951)	(33,103)
Current tax adjustments in respect of the prior years	(39,178)	178,259
Adjustments to tax credit/(charge) in respect of previous periods - deferred tax	-	17,342
Total tax credit /(charge) for the year	852,193	426,243

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (*continued*)

8 Employees and Directors

	2023 £	2022 £
Wages and salaries	2,945,255	10,295,357
Social security costs	512,730	1,294,189
Other pension costs	133,705	369,016
	<u>3,591,690</u>	<u>11,958,562</u>

The average number of employees, including directors, during the period were:

	2023	2022
Employees	<u>46</u>	<u>110</u>

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WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (*continued*)

9	Intangible assets	Software £
	<i>Cost</i>	
	At March 31, 2022	528,941
	Additions	-
	Disposals	-
	At March 31, 2023	528,941
	<i>Amortisation</i>	
	At March 31, 2022	517,824
	Charge for the period	10,314
	Disposals	-
	At March 31, 2023	528,138
	<i>Net book value</i>	
	At March 31, 2023	803
	At March 31, 2022	11,117

The software intangible represents the ongoing development of the company's app products which was created by internal development staff. The total assets are carried at £803 (2022 - £11,117), £10,314 has been charged to the income statement in the period.

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (continued)

10 Tangible assets

	Fixtures and fittings £	Equipment £	Total £
<i>Cost</i>			
At March 31, 2022	31,184	288,514	319,698
Additions	-	2,008	2,008
Disposals	(1,017)	(268,066)	(269,083)
	<u>30,167</u>	<u>22,456</u>	<u>52,623</u>
<i>Depreciation</i>			
At March 31, 2022	14,995	247,928	262,923
Charge for the period	10,022	27,132	37,154
Disposals	(819)	(258,853)	(259,672)
	<u>24,198</u>	<u>16,207</u>	<u>40,405</u>
<i>Net book value</i>			
At March 31, 2023	<u>5,969</u>	<u>6,249</u>	<u>12,218</u>
At March 31, 2022	<u>16,189</u>	<u>40,586</u>	<u>56,775</u>

11 Investments

The company owns 100% of the ordinary share capital of its subsidiary, Cloudsocio DMCC an entity incorporated in the United Arab Emirates. The company had invested £10,300 for the 50 shares and further investment of £2,483,333 for £1 shares were made in FY 2022-23.

During the year, Cloudsocio DMCC a subsidiary of the company, has ceased trading operations. Hence, the company has assessed and recorded an impairment loss of GBP 2,357,274 on its investment. The impairment loss is the excess of investment over the net book value of the assets of Cloudsocio DMCC.

The principal activity of the company during the period was a provider of professional and managed IT software services.

12 Debtors

	2023 £	2022 £
Trade debtors	1,983,109	1,365,164
Amounts owed by group undertakings	-	809,885
R&D tax credit receivable	148,213	223,545
Income tax receivable (Group relief)	891,370	230,732
Other debtors	465,142	631,601
	<u>3,487,834</u>	<u>3,260,927</u>

Amounts owed by group undertaking are repayable on demand, unsecured and interest free.

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (continued)

13	Cash and Cash Equivalents	2023 £	2022 £
	Cash at Bank	890,223	1,108,369
14	Creditors: amounts falling due within one year	2023 £	2022 £
	Trade creditors	31,023	181,469
	Accruals and deferred income	1,027,715	736,181
	Other taxation and social security	340,486	427,312
	Other creditors	515,194	884,838
		<u>1,914,419</u>	<u>2,229,800</u>
15	Short term loan	2023 £	2022 £
	Borrowings from group undertakings	1,217,110	1,139,563
		<u>1,217,110</u>	<u>1,139,563</u>

Borrowing from group undertakings includes loan taken from Wipro Holdings Hungary KFT amounting to USD 1,096,000 * and Wipro Holdings UK Limited amounting to USD 300,000 #.

* Loan from Wipro Holdings Hungary KFT

Terms of repayment:

The Borrower shall repay the entire amount of the loan along with an interest on the Expiration Date (i.e, August 27, 2023). Interest on the loan is calculated at a rate equal to 12-month USD LIBOR as quoted on Bloomberg plus 85 basis points on the reducing balance.

The Borrower is also entitled to repay a part or the entire amount of the loan to the Lender at any time prior to the Expiration Date without penalty or notice.

Loan from Wipro Holdings UK Limited

Terms of repayment:

The Borrower shall repay the entire amount of the loan along with an interest on the Expiration Date (i.e, December 20, 2023). Interest on the loan is calculated at a rate equal to 12-month USD SONIA rate as quoted on Bloomberg plus 85 basis points on the reducing balance.

The Borrower is also entitled to repay a part or the entire amount of the loan to the Lender at any time prior to the Expiration Date without penalty or notice.

WIPRO WEARE4C UK LIMITED

Notes forming part of the financial statements
for the period ended 31 March 2023 (*continued*)

16 Debtors: amounts falling due after one year

	2023 £	2022 £
Other debtors	-	95,000

17 Provision for other liabilities

The movement in the deferred taxation provision in relation to capital allowances during the period was:

	2023 £	2022 £
Brought forward	-	17,342
Income Statement movement arising during the period	-	(17,342)
Carried forward	-	-

18 Called up share capital

	2023 £	2022 £
Allotted, issued, and fully paid 2,484,333 Ordinary shares of £1.00 each	2,484,333	1,000

Wipro 4C NV, the parent company has made an Investment of GBP 2,483,333 in Ordinary shares of £1.00 each in the capital of the Company.

	2023 £	2022 £
19 Debtors amount falling due within one year		
Other Debtors	95,000	-

20 Provision for other Assets

	2023 £	2022 £
Brought forward	-	-
Income Statement movement arising during the year	77,239	-
Carried forward	77,239	-

WIPRO WEARE4C UK LIMITED

**Notes forming part of the financial statements
for the period ended 31 March 2023 (continued)**

21 Pension contribution

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independent administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £ 133,705 (2022-£369,016). No commitment was outstanding as at 31 March 2023 (2022 - nil).

22 Related Party disclosures

The company has taken advantage of the exemption available under Financial Reporting Standard 102 "Related Party Disclosures", for subsidiaries with 100% of whose voting rights are controlled within the group, from the requirements to provide details of transactions with entities that are part of the group.

23 Ultimate parent undertaking and controlling party

Since 16 December 2016, the Company is an immediate subsidiary of Wipro 4C NV, a company incorporated in Belgium, with the registered address: Stations Street 60/5 2800, Mechelen, Belgium.

Since 10 August 2020, the ultimate parent of the Company is Wipro Limited, a company incorporated under the Indian Companies Act, 1913, with its registered office at Doddakannelli, Sarjapur Road, Bangalore, India, and having the Corporate Identification Number (CIN) L32102KA1945PLC020800.

24 Subsequent events

The directors are not aware of any significant matter or circumstance arising since the end of the period, not otherwise dealt within the financial statements, which significantly affect the financial position of the company or the result to the date of this audit report.