

WIPRO CRM SERVICES UK LIMITED

Report and Financial Statements
Period ended 31 March 2024

Company number - 08010708



WIPRO CRM SERVICES UK LIMITED

Report and financial statements the period ended 31 March 2024

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Directors

Omkar Bhalchandra Nisal
Elizabeth Loreen Parnell (Appointed on 04 December 2023)

Registered office

Victoria House Level 6, Bloomsbury Square, London, United Kingdom, WC1B 4DA

Company number
08010708

Auditors: BDO LLP,
Arcadia House, Maritime Walk - Ocean Village,
Southampton, S014 3TL, United Kingdom

WIPRO CRM SERVICES UK LIMITED

Strategic report for the period ended 31 March 2024

The directors present their strategic report with the audited financial statements of the company for the 12 months period ended 31 March 2024.

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 profit after tax of £895,105 (2023- loss of £3,875,820). The company had net liabilities of £ 2,264,838 (2023 - £ 3,159,943) primarily due to amounts owed to group undertakings.

The company had turnover of £ 8,281,487 (2023- £8,918,722) and a gross profit of £ 1,914,535 (2023 – gross loss £951,238). Improvement in gross margin in the current year is primarily attributable to the following:

- Business focus on building and maintaining relations with larger customers and reducing reliance on small sized projects contributed to maintaining the turnover at existing levels in the current year with a negligible decline of £637,234.
- Non-replacement of reduction in headcount of 17 numbers of which only 6 were terminated with nominal severance pay of £159,671 and rest either resigned or transferred to other group companies. After giving due consideration of adequacy of existing headcount combined with required involvement of sub-contractors from group companies to service the customers, thereby resulting in overall reduction in cost of sales of £3,503,008. The reduction in cost of sales during the current year is aligned with the reduction in previous year by reference to the related reduction in headcount.

Further there was a major reduction in impairment loss of £2,353,111 in current year. This factor along with the above two have contributed to net profit in the current year. Further, refer Going Concern note for the company's operating plan for the next 12 months.

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 impact of Russia-Ukraine war, increase in inflation and cost of living during the year ended March 2024. However, the impact of these 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.

Financial key performance indicators

The key performance indicators that management monitors are turnover and operating result. These factors have been discussed in the Financial Performance section above.

The wider group has considerable financial resources together with long term contracts with several 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 14th June 2024 and signed on its behalf.



Omkar Bhalchandra Nisal
Director

WIPRO CRM SERVICES UK LIMITED

Directors' report for the period ended 31 March 2024

The directors present their report and the audited financial statements of the company for the period ended 31 March 2024.

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:

Elizabeth Loreen Parnell (Appointed 04 December 2023)
Omkar Bhalchandra Nisal (Appointed on 07 April 2022)
Barath Subba Sockapa Narayanan (Resigned on 04 December 2023)

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. However, through a review of the revenue forecasts for coming years, and the continued support from the group, the company would be able to navigate through such uncertainties, and hence we do not anticipate any major impact.

Dividends

In the current period, no dividends were declared (2023 – £ 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. There has been a reduction in headcount, but the company is able to rely on sub-contracting from group companies to continue to serve customers.

In consideration of the company's current financial position, the forecasted estimates of revenues, 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 CRM SERVICES UK LIMITED

Directors' report for the period ended March 31, 2024 (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.

Qualifying Indemnity provisions under section 236

None

There are no branches outside the UK.

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



Omkar Bhalchandra Nisal
Director

14th June 2024

WIPRO CRM SERVICES UK LIMITED

'Directors' responsibilities statement for the period ended 31 March 2024

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 CRM SERVICES UK LIMITED

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 2024 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.

We have audited the financial statements of Wipro CRM Services UK Limited ("the Company") for the year ended 31 March 2024 which comprise Income statement, Statement of financial position, 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 Report and Financial Statements, 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.

we considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation and Companies Act 2006.

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.

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; and
 - Internal controls established to mitigate risks related to 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; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- We selected a judgemental sample of journals not meeting the defined risk criteria and agreed these to supporting documentation;
- In relation revenue recognition, we tested revenue through a combination of test of controls and other substantive procedures. Other substantive procedure include testing a sample of sales back to underlying supporting documentation including invoice, Statement of works and cash receipt and performing year end cut off tests and also including unusual combinations to revenue as a part of our journals testing;

- 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; and
- We have enquired of management and those charged with governance in respect of known or suspected instances of non-compliance with laws and regulations.

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:

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

14th June 2024

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

WIPRO CRM SERVICES UK LIMITED

Income statement for the 12 month period ended March 31, 2024

	Notes	Period ended 31 March 2024 £	Period ended 31 March 2023 £
Turnover	3	8,281,487	8,918,722
Cost of Sales	4	6,366,952	9,869,960
Gross Profit/(Loss)		1,914,535	(951,238)
Administrative expenses	5	(1,063,931)	(3,871,754)
Other Income	6	536,103	94,979
Operating Profit/ (Loss) on ordinary activities before taxation		1,386,707	(4,728,013)
Tax on loss /(profit) on ordinary activities	7	(491,602)	852,193
Profit/(Loss) for the period / year		895,105	(3,875,820)

Other gains and losses

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

The notes on pages 13 to 24 form part of these financial statements

WIPRO CRM SERVICES UK LIMITED

Statement of financial position at March 31, 2024

Company number - 08010708	Note(s)	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	9		-		803
Tangible assets	10		3,112		12,217
Investments	11		-		136,359
			<u>3,112</u>		<u>149,379</u>
Current assets					
Debtors	12	1,580,574		3,522,575	
Cash at bank and in hand	13	<u>999,001</u>		<u>890,223</u>	
		2,579,575		4,412,798	
Creditors: amounts falling due within one year	14	(1,452,316)		(1,949,160)	
Amounts owed to group undertakings		(2,313,194)		(4,728,089)	
Short term loan	15	<u>(1,186,944)</u>		<u>(1,217,110)</u>	
Net (liabilities)			(2,372,880)		(3,481,561)
Debtors: amounts falling due within one year	17		-		95,000
Total assets less current liabilities			(2,369,768)		(3,237,182)
Deferred tax asset	18		104,930		77,239
Net (liabilities)			<u>(2,264,838)</u>		<u>(3,159,943)</u>
Capital and reserves					
Called up equity share capital	16		2,484,333		2,484,333
Share premium account			99,500		99,500
Profit and loss account			(4,848,671)		(5,743,776)
Shareholders' (deficit)			<u>(2,264,838)</u>		<u>(3,159,943)</u>

The financial statements were approved by the Board of Directors and authorised for issue on



Omkar Bhalchandra Nisal
Director

14th June 2024

WIPRO CRM SERVICES UK LIMITED

Statement of changes in equity for the period ended 31 March 2024

	Share capital	Share premium	Retained Earnings	Total equity
	£	£	£	£
Balance at March 31, 2022	1,000	99,500	(1,867,956)	(1,767,456)
Equity Infusion	2,483,333			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)
Equity Infusion	-			
Total profit / (loss) for the year	-	-	895,105	895,105
Balance at March 31, 2024	2,484,333	99,500	(4,848,671)	(2,264,838)

Wipro CRM Services NV (formerly 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 in FY 2022-23

The notes on pages 13 to 24 form part of these financial statements.

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024

Overview of the company

WIPRO WEARE4C UK LIMITED changed its name to WIPRO CRM SERVICES UK LIMITED in the FY 23-24. The company is a private company limited by shares and is incorporated in England. The address of its registered office is Victoria House Level 6, Bloomsbury Square London, United Kingdom, WC1B4DA.

1 Accounting policies

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, 2023 to March 31, 2024 consequently the results are for a 12-month period. The comparatives presented for the year ending from March 31, 2023 are also for the period of 12 months which are directly comparable with the balances presented as of March 31, 2024.

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. There has been a reduction in headcount, but the company is able to rely on sub-contracting from group companies to continue to serve customers.

In consideration of the company's current financial position, the forecasted estimates of revenues, 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 CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (*continued*)

1 Accounting policies (*continued*)

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.

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:

- Exchange gains on foreign currency receivables and payables.
- Provisions for doubtful debts written back on account of better than estimated collections.
- Any other income which would not fall under normal course of business.

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.

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (*continued*)

1 Accounting policies (*continued*)

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.

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.

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (*continued*)

1 Accounting policies (*continued*)

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.

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.

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended 31 March 2024 *(continued)*

1 Accounting policies *(continued)*

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 CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 *(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 losses recorded on subsidiary investment (Refer note 5).

	2024 £	2023 £
3. Turnover		
Professional Services	5,729,917	5,212,124
Managed Services	962,354	1,313,853
Intercompany Revenue	1,589,216	2,339,891
Other Revenue	-	52,854
	8,281,487	8,918,722

	2024 £	2023 £
4. Cost of Sales		
Subcontracting Charges	4,729,545	5,459,376
Employee related costs	1,637,407	4,410,584
Cost of sales	6,366,952	9,869,960

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (continued)

	2024 £	2023 £
5. Administrative expenses		
Utilities	311,537	651,435
Sales & Marketing costs	1,551	22,172
Payroll costs	502	8,771
Finance costs	75,198	56,873
General and administration costs	150,870	370,840
Legal and Professional fees	97,427	146,313
Other operating expenses	110,898	121,915
Impairment Loss	4,163	2,357,274
Rates, taxes and insurance	311,785	136,161
	1,063,931	3,871,754

During last year, Cloudsocious 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 in FY 2022-23 and on current year recorded an impairment loss of GBP 4,163 on its investment

	2024 £	2023 £
6. Other Income		
Other income	2,548	7,847
Foreign Exchange Gains	284,261	87,132
Provision for doubtful debt written back	249,294	-
	536,103	94,979

	2024 £	2023 £
7. Taxation charge		
Corporation Tax		
Current tax credit / (debit) for the period	(47,162)	660,639
Tax credit / (debit) in respect of previous period	(444,440)	191,554
Taxation credit / (charge) on loss from ordinary activities	(491,602)	852,193

	2024 £	2023 £
Factor affecting tax credit / (charge) for the year		
Profit/ (loss) on ordinary activities before tax	1,386,707	(2,370,738)
Add : Impairment loss recorded	4,163	2,357,274
(Profit) / loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 19%)	(347,718)	898,322

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (continued)

Effects of:		
Tax effect of difference between capital allowance and depreciation	(249)	-
Expenses not deductible for tax purpose	-	(6,951)
Current tax adjustments in respect of the prior years	(444,440)	(39,178)
Adjustments to tax credit/(charge) in respect of previous periods- Deferred tax	-	-
Tax effect of Utilization of carry forward losses	300,805	-
Total tax credit / (charge) for the year	(491,602)	852,193

	2024	2023
	£	£
8. Employees and directors		
Wages and salaries	1,397,892	2,945,255
Social security costs	175,221	512,730
Other pension costs	64,294	133,705
	1,637,407	3,591,690

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

	2024	2023
Employees	12	46

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (continued)

	£		
09. Intangible assets			
	Software		
Cost			
At March 31, 2023	528,941		
Additions	-		
Disposals	-		
At March 31, 2024	528,941		
Depreciation			
At March 31, 2023	528,138		
Charge for the period	803		
Disposals	-		
At March 31, 2024	528,941		
Net book value			
At March 31, 2024	-		
At March 31, 2023	803		
10. Tangible assets	£	£	£
	Fixtures and fittings	Equipment	Total
Cost			
At March 31, 2023	30,167	22,456	52,623
Additions	-	2,178	2,178
Disposals	(11,755)	(3,313)	(15,068)
At March 31, 2024	18,412	21,321	39,733
Depreciation			
At March 31, 2023	24,198	16,207	40,405
Charge for the period	4,293	5,113	9,406
Disposals	(10,082)	(3,108)	(13,190)
At March 31, 2024	18,409	18,212	36,621
Net book value			
At March 31, 2024	3	3,109	3,112
At March 31, 2023	5,969	6,249	12,218

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 *(continued)*

11. Investments

The company owns 100% of the ordinary share capital of its subsidiary, Cloudsocius 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 FY 2022-23, 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 in FY 2022-23 and collected GBP 132,196 and balance GBP 4,163 recorded as an impairment loss in FY 2023-24. The principal activity of the company during the period was a provider of professional and managed IT software services.

	2024 £	2023 £
12. Debtors		
Trade debtors	1,300,848	2,017,850
R&D tax credit receivable	118,051	148,213
Income tax receivable (Group relief)	-	891,370
Other debtors	161,675	465,142
	<u>1,580,574</u>	<u>3,522,575</u>

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

	2024 £	2023 £
13. Cash at bank and in hand		
Cash at Bank	999,001	890,223
	<u>999,001</u>	<u>890,223</u>

	2024 £	2023 £
14. Creditors: amounts falling due within one year		
Trade creditors	45,894	31,023
Accruals and deferred income	1,058,076	1,027,715
Other taxation and social security	248,556	340,486
Other creditors	72,060	515,194
Advance from Customers	27,730	34,742
	<u>1,452,316</u>	<u>1,949,160</u>

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (continued)

	2024 £	2023 £
15. Short term loan		
Borrowing from group undertakings	1,186,944	1,217,110
	1,186,944	1,217,110

Borrowings from group undertakings consist of loan taken from Wipro Holdings Hungary KFT amounting USD 1,096,000 and Wipro Holdings UK Limited amounting to GBP 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 equal to 12-month USD SOFR rate as quoted on Bloomberg plus 85 basis points on the reducing balance to the Lender's bank account on the Expiration Date (i.e, August 27, 2024).

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 equal to 12-month GBP SONIA rate as quoted on Bloomberg plus 85 basis points on the reducing balance to the Lender's bank account on the Expiration Date (i.e, December 20, 2024).

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.

	2024 £	2023 £
16. Called up equity share capital		
Called up share capital		
Allotted, issued and fully paid		
2,484,333 Ordinary shares of £1.00 each	2,484,333	2,484,333
	2,484,333	2,484,333

	2024 £	2023 £
17. Debtors amount falling due within one year		
Other Debtors	-	95,000
	-	95,000

WIPRO CRM SERVICES UK LIMITED

Notes forming part of the financial statements for the period ended March 31, 2024 (continued)

	2024	2023
	£	£
18. Deferred tax asset		
Brought forward	77,239	-
Addition during the year on account of R&D credits	27,691	77,239
Carried forward	104,930	77,239

Deferred tax asset pertains to unutilized R&D credits.

19. 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 £64,294 (2023 £133,705). No commitment was outstanding as at 31 March 2024 (2023 - nil).

20. 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

21. Ultimate parent undertaking and controlling party

Since 16 December 2016, the Company is an immediate subsidiary of Wipro CRM Services NV (formerly 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

22. 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.

23. Figures for the previous year have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.