

Registration number: 08989957

# Cigniti Technologies (UK) Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2022

KNAV  
Statutory Auditors  
Hygeia Building  
Ground Floor  
66-68 College Road  
Harrow  
Middlesex  
HA1 1BE

## Cigniti Technologies (UK) Limited

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## **Cigniti Technologies (UK) Limited**

### **Company Information**

<b>Directors</b>	Mr Venkata Subramanyam Chakkilam Mr Srikanth Chakkilam
<b>Registered office</b>	Hygeia Building Rear Ground Floor 66-68 College Road Harrow Middlesex HA1 1BE
<b>Auditors</b>	KNAV Statutory Auditors Hygeia Building Ground Floor 66-68 College Road Harrow Middlesex HA1 1BE

**Cigniti Technologies (UK) Limited**

**Directors' Report for the Year Ended 31 March 2022**

The directors present their report and the financial statements for the year ended 31 March 2022.

**Directors of the company**

The directors who held office during the year were as follows:

Mr Venkata Subramanyam Chakkilam

Mr Srikanth Chakkilam

**Principal activity**

The principal activity of the company is that of provision of software testing services

**Dividends**

During the year, no dividends have been paid or declared (2021: No dividends have been paid or declared).

**Going concern**

At the date of approving the financial statements, the Directors have a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future, being a period of no less than 12 months from the date these financial statements were approved. The Company meets its day-to-day working capital requirements through its ongoing commercial business contracts and if required, support from its ultimate parent, Cigniti Technologies Limited.

The Company therefore continues to adopt the going concern basis in preparing the financial statements.

**Reappointment of auditors**

The auditors KNAV are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 29 April 2022 and signed on its behalf by:



.....  
Mr Venkata Subramanyam Chakkilam  
Director

## **Cigniti Technologies (UK) Limited**

### **Independent Auditor's Report to the Members of Cigniti Technologies (UK) Limited**

#### **Opinion**

We have audited the financial statements of Cigniti Technologies (UK) Limited (the 'company') for the year ended 31 March 2022, which comprise the Profit and Loss Account, Balance Sheet, 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 FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 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.

#### **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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's 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 original financial statements were 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 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **Cigniti Technologies (UK) Limited**

### **Independent Auditor's Report to the Members of Cigniti Technologies (UK) Limited (continued)**

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the [set out on page ], 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.

## **Cigniti Technologies (UK) Limited**

### **Independent Auditor's Report to the Members of Cigniti Technologies (UK) Limited (continued)**

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations - this responsibility lies with management with the oversight of the Directors.

Based on our understanding of the Company and industry, discussions with management, we identified Companies Act 2006, Financial Reporting Standard 102 Section 1A, and UK taxation legislation as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the Company's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- enquiry of management about the Company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the Board of directors minutes;
- enquiry of management of any legal matters;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

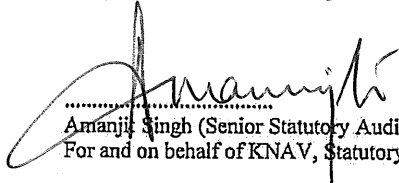
A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Cigniti Technologies (UK) Limited**

**Independent Auditor's Report to the Members of Cigniti Technologies (UK) Limited  
(continued)**

**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.

  
.....  
Amanjit Singh (Senior Statutory Auditor)  
For and on behalf of KNAV, Statutory Auditor

Hygeia Building  
Ground Floor  
66-68 College Road  
Harrow  
Middlesex  
HA1 1BE

29 April 2022



**Cigniti Technologies (UK) Limited**

**Profit and Loss Account for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
Turnover		9,138,144	5,235,900
Cost of sales		<u>(7,338,600)</u>	<u>(4,494,865)</u>
Gross profit		1,799,544	741,035
Administrative expenses		(1,370,838)	(1,419,897)
Other operating income		<u>7,500</u>	<u>278,553</u>
Operating profit/(loss)		<u>436,206</u>	<u>(400,309)</u>
Profit/(loss) before tax		436,206	(400,309)
Taxation		<u>-</u>	<u>2,665</u>
Profit/(loss) for the financial year		<u><u>436,206</u></u>	<u><u>(397,644)</u></u>

The notes on pages 11 to 17 form an integral part of these financial statements.  
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**Cigniti Technologies (UK) Limited**

**(Registration number: 08989957)  
Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	29,418	5,814
<b>Current assets</b>			
Debtors	6	2,184,418	1,592,047
Cash at bank and in hand		<u>419,024</u>	<u>129,891</u>
		2,603,442	1,721,938
<b>Creditors: Amounts falling due within one year</b>	7	<u>(2,326,770)</u>	<u>(1,857,868)</u>
<b>Net current assets/(liabilities)</b>		<u>276,672</u>	<u>(135,930)</u>
<b>Net assets/(liabilities)</b>		<u>306,090</u>	<u>(130,116)</u>
<b>Capital and reserves</b>			
Called up share capital	8	855,001	855,001
Profit and loss account		<u>(548,911)</u>	<u>(985,117)</u>
<b>Shareholders' funds/(deficit)</b>		<u>306,090</u>	<u>(130,116)</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

These financial statements were approved and authorised for issue by the Board on 29 April 2022 and signed on its behalf by:

.....  
Mr Venkata Subramanyam Chakkilam  
Director

**Cigniti Technologies (UK) Limited**

**Statement of Changes in Equity for the Year Ended 31 March 2022**

	Share capital £	Profit and loss account £	Total £
At 1 April 2020	855,001	(587,473)	267,528
Loss for the year	<u>-</u>	<u>(397,644)</u>	<u>(397,644)</u>
Total comprehensive income	<u>-</u>	<u>(397,644)</u>	<u>(397,644)</u>
At 31 March 2021	<u>855,001</u>	<u>(985,117)</u>	<u>(130,116)</u>

	Share capital £	Profit and loss account £	Total £
At 1 April 2021	855,001	(985,117)	(130,116)
Profit for the year	<u>-</u>	<u>436,206</u>	<u>436,206</u>
Total comprehensive income	<u>-</u>	<u>436,206</u>	<u>436,206</u>
At 31 March 2022	<u>855,001</u>	<u>(548,911)</u>	<u>306,090</u>

The notes on pages 11 to 17 form an integral part of these financial statements.

**Cigniti Technologies (UK) Limited**

**Statement of Cash Flows for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		436,206	(397,644)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation		11,755	3,457
Income tax expense		-	(2,665)
Foreign exchange (gains) / losses		1,742	2,221
		<u>449,703</u>	<u>(394,631)</u>
Working capital adjustments			
(Increase)/decrease in trade debtors	6	(594,113)	1,693,274
Increase/(decrease) in trade creditors	7	416,430	(1,060,813)
Net cash flow from operating activities		272,020	237,830
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(35,359)	(3,094)
<b>Cash flows from financing activities</b>			
Utilisation/(Repayment) of other borrowing		52,472	(182,946)
Net increase in cash and cash equivalents		289,133	51,790
Cash and cash equivalents at 1 April		<u>129,891</u>	<u>78,101</u>
Cash and cash equivalents at 31 March		<u><u>419,024</u></u>	<u><u>129,891</u></u>

The notes on pages 11 to 17 form an integral part of these financial statements.  
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## Cigniti Technologies (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Hygeia Building  
Rear Ground Floor  
66-68 College Road  
Harrow  
Middlesex  
HA1 1BE  
United Kingdom

The principal place of business is:

WeWork  
8 Devonshire Square  
London  
EC2M 4PL  
United Kingdom

These financial statements were authorised for issue by the Board on 29 April 2022.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to nearest pound.

##### Summary of disclosure exemptions

In preparing these financial statements, the company has taken advantage of the exemption from disclosing certain financial instrument disclosures, as permitted by FRS 102 paragraph 1.12 (b), on the basis that it is a qualifying entity and its ultimate parent company, Cigniti Technologies Limited, includes these in its own consolidated financial statements.

## Cigniti Technologies (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### Going concern

At the date of approving the financial statements, the Directors have a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future, being a period of no less than 12 months from the date these financial statements were approved. The Company meets its day-to-day working capital requirements through its ongoing commercial business contracts and if required, support from its ultimate parent, Cigniti Technologies Limited.

The Company therefore continues to adopt the going concern basis in preparing the financial statements.

##### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones on the contract and the time spent to date compared to the total time expected to be required to undertake the contract. Estimates of the total time required to undertake the contracts are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

##### Government grants

Government grants are accounted under the accruals model as permitted by FRS102 and are recognised in the Profit and Loss in the same period as the related expenditure. The company has chosen to show the government grants received as other operating income. The company utilised the Government's Coronavirus Job Retention scheme, whereby the Government contributed towards the wage cost of the business.

##### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

##### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

##### Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer and office equipment	20% and 33% Straight line

## Cigniti Technologies (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

##### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### Invoice discounting

Amounts due in respect of invoice discounting are separately disclosed as current liabilities. The company can use these facilities to draw down a percentage of the value of certain sales invoices. The management and collection of trade receivables remains with the company.

##### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Cigniti Technologies (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### Financial instruments

###### *Classification*

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans from related parties.

###### *Recognition and measurement*

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 and subsequently at amortised cost using the effective interest method.

Debt instruments that are payable or receivable within one year, typically trade creditors or debtors, 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 of financed at a rate of interest that is not a market rate or in case of an out-right short term loan not at a market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

###### *Impairment*

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 Profit and loss account.

For financial assets measured as 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 discounted rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

#### 3 Staff numbers

The average monthly number of persons employed by the company (including directors) during the year, was 67 (2021: 49).



**Cigniti Technologies (UK) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

**4 Auditors' remuneration**

	2022 £	2021 £
Audit of the financial statements	10,900	8,000

**5 Tangible assets**

	Computer equipment £	Total £
<b>Cost or valuation</b>		
At 1 April 2021	51,009	51,009
Additions	35,359	35,359
At 31 March 2022	86,368	86,368
<b>Depreciation</b>		
At 1 April 2021	45,195	45,195
Charge for the year	11,755	11,755
At 31 March 2022	56,950	56,950
<b>Carrying amount</b>		
At 31 March 2022	29,418	29,418
At 31 March 2021	5,814	5,814

## Cigniti Technologies (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 6 Debtors

	Note	2022 £	2021 £
Trade debtors		1,994,363	1,079,826
Amounts owed by group undertakings	9	165,781	356,886
Other debtors		6,292	142,087
Accrued income		10,815	7,611
Prepayments		7,167	5,637
		<u>2,184,418</u>	<u>1,592,047</u>

In the previous year, other debtors included undrawn amounts from the company's invoice financing facility of £125,461; refer to note 8 for further details.

Included within amounts owed by group undertakings is an advance to a fellow group undertaking of £111,313, which is unsecured, interest free and repayable on demand.

#### 7 Creditors

##### Creditors: amounts falling due within one year

	Note	2022 £	2021 £
<b>Due within one year</b>			
Other borrowings		52,472	-
Trade creditors		45,178	96,981
Amounts owed to group undertakings	9	1,439,653	886,005
Taxation and social security		574,171	643,134
Other creditors		72,024	43,002
Accrued expenses		143,272	188,746
		<u>2,326,770</u>	<u>1,857,868</u>

Other borrowings represent the invoice facility with Barclays Bank PLC. Any amounts owed to Barclays Bank PLC in respect of this are secured by a fixed and floating charge over the company's assets. In the previous year, the amount held by Barclays Bank PLC represented an undrawn facility of £125,461. This amount was disclosed under other debtors (see note 7).

## Cigniti Technologies (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 8 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>855,001</u>	<u>855,001</u>	<u>855,001</u>	<u>855,001</u>

The entire issued and outstanding shares held by Cigniti Technologies Limited, the parent Company.

#### 9 Related party transactions

##### Summary of transactions with other related parties

The company has taken advantage of the exemptions available in FRS 102 1A from disclosing related party transactions with other companies that are wholly owned within the group.

#### 10 Parent and ultimate parent undertaking

The company's immediate parent is Cigniti Technologies Limited, incorporated in India.

The most senior parent entity producing publicly available financial statements is Cigniti Technologies Limited. These financial statements are available upon request from

Company Secretary  
Suite No. 106 & 107  
6-3-456/C, MGR Estates  
Dwarkapuri Colony  
Panjagutta  
Hydrabad 500 082  
India

There is no one controlling party.

**Cignifi Technologies (UK) Limited**

**Detailed Profit and Loss Account for the Year Ended 31 March 2022**

	2022 £	2021 £
Turnover (analysed below)	9,138,144	5,235,900
Cost of sales (analysed below)	<u>(7,338,600)</u>	<u>(4,494,865)</u>
Gross profit	<u>1,799,544</u>	<u>741,035</u>
Gross profit (%)	19.69%	14.15%
<b>Administrative expenses</b>		
Employment costs (analysed below)	(894,729)	(604,058)
Establishment costs (analysed below)	(60,284)	(57,512)
General administrative expenses (analysed below)	(374,940)	(732,790)
Finance charges (analysed below)	(29,130)	(22,080)
Depreciation costs (analysed below)	<u>(11,755)</u>	<u>(3,457)</u>
	(1,370,838)	(1,419,897)
Other operating income (analysed below)	<u>7,500</u>	<u>278,553</u>
Operating profit/(loss)	<u>436,206</u>	<u>(400,309)</u>
Profit/(loss) before tax	<u><u>436,206</u></u>	<u><u>(400,309)</u></u>

This page does not form part of the statutory financial statements.

**Cigniti Technologies (UK) Limited**

**Detailed Profit and Loss Account for the Year Ended 31 March 2022 (continued)**

	2022 £	2021 £
<b>Turnover</b>		
Rendering of services, UK	9,138,144	5,235,900
<b>Cost of sales</b>		
Software & Licenses	(81,825)	(182,660)
Direct costs	(3,611,247)	(1,964,872)
Wages and salaries (excluding directors)	(3,216,883)	(2,116,192)
Staff NIC (Employers)	(284,863)	(231,141)
Staff pensions (Defined contribution)	(143,782)	-
	<u>(7,338,600)</u>	<u>(4,494,865)</u>
<b>Employment costs</b>		
Wages and salaries	(545,112)	(289,124)
Staff NIC (Employers)	(87,019)	(52,369)
Staff pensions (Defined contribution)	(92,796)	(159,932)
Sales commissions	(165,632)	(101,734)
Staff welfare	(4,170)	(899)
	<u>(894,729)</u>	<u>(604,058)</u>
<b>Establishment costs</b>		
Rent	(44,220)	(29,399)
Light, heat and power	(174)	-
Insurance	(15,795)	(27,939)
Repairs and maintenance	(95)	(174)
	<u>(60,284)</u>	<u>(57,512)</u>
<b>General administrative expenses</b>		
Telephone and fax	(2,552)	(2,216)
Computer software and maintenance costs	(1,610)	-
Printing, postage and stationery	(2,260)	(348)
Trade subscriptions	(3,384)	(10,395)
Sundry expenses	(24)	(360)
Travel and subsistence	(164,665)	(46,635)
Advertising	(18,122)	(26,736)
Customer entertaining (disallowable for tax)	(11,677)	(1,601)
Accountancy fees	(2,750)	(2,000)
Auditor's remuneration - The audit of the company's annual accounts	(10,900)	(8,000)
Auditor's remuneration - Other services pursuant to legislation	-	(9,275)
Service charges	-	(567,966)
Legal and professional fees	(124,405)	(32,649)
Bad debts written off	(26,595)	(21,792)
Foreign currency (gains)/losses - operating expense	(5,996)	(2,817)
	<u>(374,940)</u>	<u>(732,790)</u>

This page does not form part of the statutory financial statements.

**Cigniti Technologies (UK) Limited**

**Detailed Profit and Loss Account for the Year Ended 31 March 2022 (continued)**

	2022	2021
	£	£
<b>Finance charges</b>		
Bank charges	(29,130)	(22,080)
<b>Depreciation costs</b>		
Depreciation of office equipment (owned)	(11,755)	(3,457)
<b>Other operating income</b>		
Government grants received	7,500	277,399
Other operating income	-	1,154
	<u>7,500</u>	<u>278,553</u>
Operating profit/(loss)	<u>436,206</u>	<u>(400,309)</u>
Profit/(loss) before tax	<u><u>436,206</u></u>	<u><u>(400,309)</u></u>