

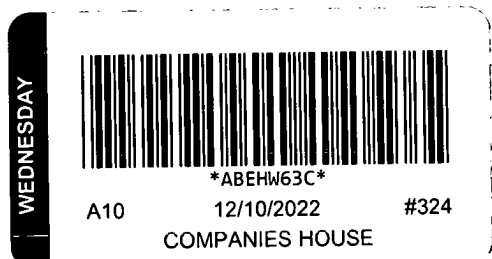
Registered Number: 2503575

# Coforge AdvantageGo Limited

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Annual Report and Financial Statements  
For the year ended 31-March 2022

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# **Coforge AdvantageGo Limited**

## **Annual Report and Financial Statements For the year ended 31 March 2022**

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# **Coforge AdvantageGo Limited**

## **Directors and Advisors**

### **Directors**

Kishore Krishnan

Gautam Samanta

### **Company secretary**

Abogado Nominees Limited

### **Registered office**

100 New Bridge Street  
London, UK  
EC4V 6JA

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### **Registered number**

2503575

### **Independent auditors**

Ernst & Young LLP  
1 More London Place  
London, UK  
SE1 2AF

### **Bankers**

NatWest Bank  
Reading Market Place  
13 Market Place  
Reading Berks, UK  
RG1 2EG

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Citibank N.A. London  
Citigroup Centre, 33 Canada Square  
London, UK  
E14 5LB

### **Business address**

2<sup>nd</sup> Floor  
47 Mark Lane  
London, UK  
EC3R 7QQ

# Coforge AdvantageGo Limited

## Strategic Report for the year ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022.

### Principal activities

The principal activity of the Company is the provision of software and services to the London and International Insurance Markets.

### Business review and future developments

The results for the Company show a profit on ordinary activities before taxation of £2.0m (2021: £11.0m) for the year and turnover of £23.2m (31 March 2021: £31.4m). The Company has net assets of £15.2m (2021: £13.6m).

Our business during the year has declined due to a short demand on our Subscribe term licenses. We were not able to secure Subscribe customers which were there in FY21. This has resulted in overall decrease in revenue and net profit. Nevertheless, we have strong demand for advanced underwriting decision support systems and for our Underwriting, Exact and Exact Max – the new Exposure Management product designed for the reinsurer. The pressure to deliver data driven underwriting across the market continues and this is reflected in strong demand for our products, and our Exact Max product has been particularly popular due to its ability to scale to the need of the Treaty Reinsurers. We have continued to invest in the product development of Underwriting version 2. We have invested £2.4m (2021: £1.8m) in research and development of Underwriting, out of which we have capitalized £1.2m in current financial year (2021: £0m).

### Dividends

No interim dividend has been paid during the year (2021: £4.5m). The directors do not recommend payment of a final dividend (2021: 0).

### Key performance indicators (KPIs)

	2022 £000	2021 £000	Change %
Turnover	23,180	31,427	-26.2%
Profit before tax	2,024	10,993	-81.6%
Shareholder funds	15,245	13,639	11.8%

	2022 number	2021 number	Change %
<b>Employees – Direct &amp; Indirect:</b>			
Employees – UK, US, Spain	63	62	1.6%
Employees - India	417	349	19.5%
Total Employees	480	411	16.8%

The Company employs staff directly in the UK and indirectly in the US and Spain. Additionally, the majority of our employees are employed by Coforge India but contracted exclusively to the Company. Turnover represents the revenues derived from software product licence sales, configuration and related software product support services. The Company's turnover and profit before tax declined by 26.2% and 81.6% respectively as a result of reduction in the demand of Subscribe term license and slightly set off by strong demand of our product Underwriting. The company has invested in the development of new software Underwriting version 2 which has resulted in a profit before tax of £2.0 Mn for the year

## **Coforge AdvantageGo Limited**

### **Strategic Report for the year ended 31 March 2022 (continued)**

#### **Principal risks and uncertainties facing the Company**

The challenging market conditions and continued consolidation is driving an amount of uncertainty. This uncertainty combined with continued pressure in our home market, London, presents an element of risk. The company's strategy to continue to grow market share in London whilst accessing new growing territories is more important than ever. We are investing significantly into research and development activities. This year we have capitalized £1.2 m of development cost incurred on our new underwriting product. New product will be ready by the end of June 2022 and we are confident that this will secure some large customers in UK, Europe and US Markets.

There are signs of the slowdown of Covid-19 transmission and the pandemic around the world. The Company services customers mainly in the UK, and also Europe and the USA, where the impact of Covid-19 was limited in the year to 31 March 2022 and beyond. There is no significant impact on the Company's operations and the business results from Covid-19, as the company is providing the critical software and services to the insurance sector, hence there is no significant impact from Covid-19 on the Company's operations or business results.

The geopolitical situation in Eastern Europe intensified on February 24, 2022, with Russia's invasion into Ukraine. The invasion is increasingly affecting economic and global financial markets and exacerbating ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption. However, there is no impact on the Company as it does not operate or serve customers in these countries.

On behalf of the Board



Kishore Krishnan  
Director  
[28<sup>th</sup> July 2022]

## **Coforge AdvantageGo Limited**

### **Directors' Report for the year ended 31 March 2022**

The directors present their report and the audited financial statements of Coforge AdvantageGo Limited ('the Company') for the year ended 31 March 2022.

#### **Future Outlook**

Our business during the year has declined due to short demand of our Subscribe term licenses. We were not able to secure Subscribe customers which were there in FY21. This has resulted in overall decrease in revenue and net profit. Nevertheless, we have strong demand for advanced underwriting decision support systems and for our Underwriting, Exact and Exact Max - the new Exposure Management product designed for the reinsurer. The pressure to deliver data driven underwriting across the market continues and this is reflected in a strong demand for our products. Our Exact Max product has been particularly popular due to its ability to scale to the need of the Treaty Reinsurers. We are investing a significant amount in research and development activities. This year we have capitalized £1.2m of the payroll costs for the development of the new version of Underwriting (version 2). The product was ready for use at the end of May 2022 and we are confident that this will attract more customers in the UK, Europe and US market. We will be investing in the development of the new versions of Exact and Exact Max in FY23.

#### **Going Concern**

Management prepared the Going concern analysis based on two scenarios i.e. the investment planned for FY22 enables us to deliver the Accelerate scenario, and a Slower growth scenario. The Company maintains monthly forecasts for the next 12 months and annual forecasts for the next two years until March 2024.

The Company had £1.7m of cash available on its balance sheet at 31 March 2022. The Company has net current assets of £14.3m and positive shareholder's funds of £15.2m as of 31 March 2022.

Based on the negotiations with the main customers and review of the ongoing IT projects and our budgets, the Company has prepared a trading forecast based on the worst-case scenario considering reduction in the new license sale. The company has planned for an increase in the R&D activities to support the longer term growth aspirations and we have left these unchanged to ensure the on-going competitiveness and success of the business. Given the uncertainty associated with new products the forecast shows a revenue decrease of 10% to previous year. Under this scenario the Company is still expected to generate positive operating cash flows for the following two years including for the going concern period up to 31 July 2023.

The Company entered into £3m of short-term and long term loans with affiliates in the year 2020: £1m from Coforge DPA Ltd. and USD 2.5m from Coforge BPM Inc. These are repayable by Coforge AdvantageGo in FY23 and FY24. Given the investment planned in FY23, and the requirement to repay the short-term loans, it is assumed that a dividend will not be paid. The repayment of the loans is included in the forecast.

The directors believe that the Company is well placed to manage its business risks successfully and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern period up to 31 July 2023. Thus, the Company continues to adopt the going concern basis of accounting in preparing the financial statements.

## **Coforge AdvantageGo Limited**

### **Directors' Report for the year ended 31 March 2022 (continued)**

**Financial risk management** (other than covered by Principal risks and uncertainties facing the Company section of the Strategic Report on page 3)

The Company's operations expose it to a variety of limited financial risks including the effects of changes in interest rates on foreign currency exchange rates, credit risk and liquidity risk.

The Company does not use derivative instruments to manage these exposures.

The Company's principal financial instruments comprise sterling and US dollar bank deposits together with trade receivables and trade payables that arise directly from its operations.

The main risks arising from the Company's financial instruments can be analysed as follows:

#### ***Price risk***

Due to the nature of its business, the Company is not exposed to any major price risks. Due consideration is given for annual salary increases in line with the growth in business in terms of both price and volumes inter-dependent on contract negotiations.

#### ***Credit risk***

The Company's principal financial assets are bank balances and trade receivables, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The Company's credit risk is primarily attributable to its trade receivables. This risk is not felt to be significant as the market place which it addresses consists of blue chip insurance companies and Lloyd's Syndicates.

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made.

#### ***Liquidity risk***

The Company has adequate capital to support its working capital requirements. Proactive receivables management results in prompt collections. Management continue to focus on this area.

#### ***Foreign Exchange risk***

A proportion of the Company's trading is conducted in Euros and US Dollars. The Company received a USD 2.5m loan from an affiliate in the US. This is subject to revaluation until the time of repayment. However, any exposure to foreign exchange risk is in the normal course of business and is deemed to be immaterial.

#### ***Interest rate and cash flow risk***

The Company's favourable liquidity situation did not warrant any significant borrowing in the current year. Policies in this regard will be in review regularly by the Directors.

The Company's proactive collection initiatives ensure that it can meet its commitments.

#### ***Qualifying third party indemnity provision***

The Company has a Directors and Officers Liability insurance policy. This is in force at the date of the statement of financial position and also at the date of signing of the financial statements.

#### ***Research and development***

During the reporting period, the Company has invested heavily in the research and development of novel software systems that look to improve and streamline the overall commercial insurance practices being followed in the financial services industry.

## **Coforge AdvantageGo Limited**

### **Directors' Report for the year ended 31 March 2022 (continued)**

Significant time was spent on the development of a new commercial insurance underwriting system, intended to automate the existing insurance generation process, right from receiving the insurance request to producing the insurance quote. Achieving this capability has required the development teams to carry out a considerable amount of research and experimentation, including activities such as integrating multiple third-party machine learning tools with the incumbent workflow systems.

The Company continues to invest in research and development by creating new and enhanced products to help improve business efficiency and forecasting for the insurance market.

#### **Directors**

The current directors of the Company are set out on page 1. All of the directors serving during the year and up to the date of signing the financial statements are listed below:

Kishore Krishnan

Andrew Bligh appointed on 25 June 2021 and resigned on 1st November 2021

Gautam Samanta - appointed on 1<sup>st</sup> November 2021

#### **Statement of Directors' Responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

#### **Disclosure of information to auditors**

At the date of approving this report, each of the Company's directors, as set out on page 1, confirms the following:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and



## **Coforge AdvantageGo Limited**

### **Directors' Report for the year ended 31 March 2022 (continued)**

#### **Disclosure of information to auditors (continued)**

- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Independent auditors**

The auditors, Ernst & Young LLP, have indicated their willingness to continue in office

#### **Post Statement of Financial Position Events**

There have been no significant events affecting the Company since the year end.

Approved on behalf of the Board of Directors



Kishore Krishnan  
Director  
[28<sup>th</sup> July 2022]

# **Coforge AdvantageGo Limited**

## **Independent Auditors' Report to the Members of Coforge AdvantageGo Limited**

### **Opinion**

We have audited the financial statements of Coforge AdvantageGo Limited for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 22, 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 "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 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 below. 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 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 to 31 July 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 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

# **Coforge AdvantageGo Limited**

## **Independent Auditors' Report to the Members of Coforge AdvantageGo Limited (continued)**

### **Other information (continued)**

performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters 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 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 directors' report have been prepared in accordance with applicable legal requirements.

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

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 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 set out on page 6, 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.

# **Coforge AdvantageGo Limited**

## **Independent Auditors' Report to the Members of Coforge AdvantageGo Limited (continued)**

### **Auditor's responsibilities for the audit of the financial statements (continued)**

#### ***Explanation as to what extent the audit was considered 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 irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the Financial Reporting Standard 102, the Companies Act 2006, the Proceeds of Crime Act 2002, the Bribery Act 2010, relevant UK employment and tax legislation and UK General Data Protection Regulation.
- We understood how Coforge AdvantageGo Limited is complying with those frameworks by a combination of reviewing minutes of board meetings and performing enquiries regarding the processes and procedures in place, as well as carrying out walkthroughs of those processes and procedures as appropriate. We considered the oversight of those charged with governance and the culture of honesty and ethical behaviour including the emphasis placed on fraud prevention. We consider these factors to reduce opportunities for fraud to take place as they could persuade individuals not to commit fraud because of the likelihood of detection and punishment. We have corroborated our inquiries with the parent company auditor EY India. The ultimate parent of the company is listed in India and it has a comprehensive legal and compliance framework that is monitored for all subsidiaries.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by identifying significant classes of transactions and significant accounts and considering how these classes of transactions and accounts may be subject to management override and fraud.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of transactions in the financial statements with characteristics that may indicate a higher risk of fraud. We identified revenue as an area that was particularly susceptible to misstatement through management override. Our response to this risk was to carry out detailed testing over revenue, receivables and cash. We also carried out detailed testing of the unusual items identified during our work.

A further description of our responsibilities for the audit of the financial statements is located 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.

*Ernst & Young LLP*

Naresh Alimchandani (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
29 July 2022

## Coforge AdvantageGo Limited

### Statement of Comprehensive Income for the year ended 31 March 2022

	Note	2022 £	2021 £
Turnover	4	23,179,595	31,427,452
Cost of sales		(923,382)	(906,683)
Gross profit		22,256,213	30,520,769
Administrative expenses		(20,174,971)	(19,494,792)
Operating profit		2,081,242	11,025,977
Interest and similar expense, net	6	(56,316)	(32,615)
Profit on ordinary activities before taxation	7	2,024,926	10,993,362
Tax on profit on ordinary activities	7	(368,784)	(2,158,182)
Profit for the financial year		1,656,142	8,835,180
Total comprehensive income for the reporting period		1,656,142	8,835,180

## Coforge AdvantageGo Limited

### Statement of Financial Position as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible	12	1,243,092	682,102
Tangible	13	103,500	220,830
		<b>1,346,592</b>	902,932
<b>Current assets</b>			
<b>Debtors:</b>			
amounts falling due within a year	14	15,052,426	13,000,943
amounts falling due after more than a year	14	8,957,275	8,383,485
<b>Total Debtors</b>		<b>24,009,701</b>	21,384,428
<b>Cash in Bank</b>		<b>1,650,633</b>	2,934,176
<b>Total current assets</b>		<b>25,660,334</b>	24,318,604
<b>Creditors:</b>			
amounts falling due within one year	15	(9,470,099)	(11,206,665)
<b>Net current assets</b>		<b>16,190,235</b>	13,111,939
<b>Total assets less current liabilities</b>		<b>17,536,827</b>	14,014,871
Creditors amounts falling due after more than a year	15	(1,900,750)	-
Provision for other liabilities	16	(390,889)	(375,853)
<b>Net assets</b>		<b>15,245,188</b>	13,639,018
<b>Equity</b>			
Called up share capital	17	12,557	12,557
Share premium account		1,749,257	1,749,257
Additional Capital Contribution		-	49,972
Retained earnings		13,483,374	11,827,232
<b>Total shareholders' funds</b>		<b>15,245,188</b>	13,639,018

The financial statements on pages 11 to 29 were approved by the Board on 28<sup>th</sup> July 2022 and signed on its behalf by:



Kishore Krishnan  
Director

Registered Number: 2503575

## Coforge AdvantageGo Limited

### Statement of Changes in Equity for the year ended 31 March 2022

	Share Capital £	Share Premium £	Additional Capital Contribution £	Retained Earnings £	Total Equity £
At 1 April 2020	12,557	1,749,257	-	7,492,052	9,253,866
Total comprehensive income	-	-	-	8,835,180	8,835,180
Dividends paid during the year	-	-	-	(4,500,000)	(4,500,000)
Share-based payments	-	-	49,972	-	49,972
<b>At 31 March 2021</b>	<b>12,557</b>	<b>1,749,257</b>	<b>49,972</b>	<b>11,827,232</b>	<b>13,639,018</b>
Total comprehensive income	-	-	-	1,656,142	1,656,142
Dividends paid during the year	-	-	-	-	-
Share-based payments	-	-	(49,972)	-	(49,972)
<b>At 31 March 2022</b>	<b>12,557</b>	<b>1,749,257</b>	<b>-</b>	<b>13,483,374</b>	<b>15,245,188</b>

# Coforge AdvantageGo Limited

## Notes to the Financial Statements for the year ended 31 March 2022

### 1 General information

Coforge AdvantageGo Limited ('the Company') is a wholly owned subsidiary of Coforge UK Limited, UK. The ultimate parent company and controlling party is Coforge Limited registered in India.

The principal activity of the Company is the provision of software and services to the London and international insurance markets.

The Company is a private company limited by shares and is incorporated in England and Wales under registration number 2503575. The address of its registered office is 100 New Bridge Street, London, EC4V 6JA.

### 2 Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102) and the Companies Act 2006 for the year ended 31 March 2022.

### 3 Accounting policies

#### Basis of accounting

The financial statements are prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently with the prior year, are set out below.

The financial statements have been prepared in British Pounds, which is the Company's functional currency and rounded to the nearest pound.

The following are the critical accounting estimates used in the preparation of financial statements in compliance with FRS 102:

- Services contracts are recognised based on stage of completion;
- Capitalised R&D is subject to an annual impairment review based on future revenue potential.

#### Going Concern

Management prepared the Going concern analysis based on two scenarios i.e. the investment planned for FY23 enables us to deliver the Accelerate scenario, and a Slower growth scenario. The Company maintains monthly forecasts for the next 12 months and annual forecasts for the next two years until March 2024.

The Company had £1.7m of cash available on its balance sheet at 31 March 2022. The Company has net current assets of £16.2m and positive shareholder's funds of £15.2m as of 31 March 2022.

Based on the negotiations with the main customers and review of the ongoing IT projects and our budgets, the Company has prepared a trading forecast based on the worst-case scenario considering reduction in the new license sale. The company has planned for an increase in the R&D activities to support the longer term growth aspirations and we have left these unchanged to ensure the on-going competitiveness and success of the business. Given the uncertainty associated with new products the forecast shows a revenue decrease of 10% to previous year. Under this scenario the Company is still expected to generate positive operating cash flows for the following two years including for the going concern period up to 31 July 2023.



## **Coforge AdvantageGo Limited**

### **Notes to the Financial Statements for the year ended 31 March 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Going Concern (continued)**

The Company entered into £3m of short-term and long term loans with affiliates in the year 2020: £1m from Coforge DPA Ltd. and USD 2.5m from Coforge BPM Inc. These are repayable by Coforge Advantage Go in FY23 and FY24. Given the investment planned in FY23, and the requirement to repay the short-term loans, it is assumed that a dividend will not be paid. The repayment of the loans is included in the forecast.

The directors believe that the Company is well placed to manage its business risks successfully and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern period up to 31 July 2023. Thus, the Company continues to adopt the going concern basis of accounting in preparing the financial statements.

##### **Turnover**

Turnover represents sales to customers, net of value added tax and trade discounts. Turnover is derived from the company's principal activity comprising of license, implementation and support services. All turnovers relate to business activities in the United Kingdom.

##### **Recognition of turnover**

Revenue may be recognised in respect of a contract, which is defined herein to be either a single contract taken as a whole or an unbundled part of a contract. However, an unbundled part may be considered only if the contractual obligations for completion of it can be met without any material dependency on other components of the bundled contract.

Some contracts are determined at the outset to be short term in nature. These generally relate to short studies, the supply of professional services on a time and materials basis, or the supply of products that are sold in a standard form without any material modification. All other contracts are deemed to be long-term contracts.

For any contract, revenue is recognised only when a signed contract exists and the collection of the associated receivable is considered probable.

For a short-term contract including license, revenue is recognised when there is a right to consideration, when delivery to the customer has occurred and there are no significant vendor obligations remaining.

For long term maintenance contracts, revenue is recognised in equal instalments over the period of the contract.

For Term contracts, the licence component, which does not have any vendor obligations remaining, revenue is recognised at the point in time when the right to use the licence is passed on to the customer. The maintenance revenue for these contracts is recognised in equal instalments over the period of the contract.

For all other long-term contracts revenue is recognised on a 'percentage of completion' basis at the statement of financial position date, with 'percentage completion' being measured by the costs to date as a percentage of the estimated costs to completion. Any loss on a contract is recognised in full as soon as a loss is foreseen by reference to the estimated cost to completion.

## **Coforge AdvantageGo Limited**

### **Notes to the Financial Statements for the year ended 31 March 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Recognition of turnover (continued)**

The amount by which turnover exceeds payments on account is shown under receivables as amounts recoverable on contracts. The amount by which billings are made in advance, and revenue taken subsequently in line with other accounting policies is shown under payables as deferred income.

For time and material contracts, revenue is recognised on basis of billable efforts.

##### **Development costs (Intangible assets)**

Development costs are stated at cost less amortisation and any provision for impairment.

Costs incurred during the development period of new software products, which substantially improve those products already offered by the company, are treated as development costs. These costs are capitalised and amortised over the life of the product. Costs that are capitalised comprise directly attributable incremental costs incurred during the development period, including wages and salaries of staff employed solely for the purpose of developing the new product, and third party costs.

Amortisation of the development costs occurs on a straight-line basis over five years

##### **Impairment of non-financial assets**

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next three years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

##### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected economic useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit. The principal annual rates used are as follows:

Furniture and equipment	- 20%
Plant and machinery	- 33%

##### **Leases**

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the full terms of the leases.

The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 and continues to credit such lease incentives to the statement of comprehensive income over the respective lease periods.

## **Coforge AdvantageGo Limited**

### **Notes to the Financial Statements for the year ended 31 March 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognized in profit or loss, except that a change attributable to an item of income and expense recognized as other comprehensive income or to an item recognized directly in equity is also recognized in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the statement of financial position date in the countries where the Company operates and generates income.

Deferred tax balances are recognized in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognized in respect of permanent differences except in respect of business combinations, when deferred tax is recognized on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

##### **Pensions**

Pension contributions to the defined contribution Coforge AdvantageGo Limited Group Personal Pension Scheme are charged to the statement of comprehensive income in the period in which contributions are incurred. Assets of the scheme are held separately from those of the company in an independently administered fund.

##### **Foreign currency**

The company's functional and presentational currency is pounds sterling (GBP).

Foreign currency transactions during the year are converted into sterling using the rate at the beginning of the month in which they occur. At the year-end monetary assets and liabilities in foreign currency amounts have been converted at the exchange rate on the statement of financial position date. All foreign exchange differences are taken to the statement of comprehensive income in the period in which they arise.

## **Coforge AdvantageGo Limited**

### **Notes to the Financial Statements for the year ended 31 March 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Financial instruments**

###### **Financial assets:**

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price. The same are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in statement of comprehensive income. Such assets are subsequently carried at fair value and the changes in fair value are recognised in statement of comprehensive income.

###### **Financial liabilities:**

Basic financial liabilities, including trade and other payables are initially recognised at transaction price. The same are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

###### **Offsetting:**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

###### **Provisions for liabilities.**

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for the expected costs of maintenance under contract are charged against profits when the revenue for sales of the products has been recognised. The effect of the time value of money is not material and therefore the provision are not discounted.

## Coforge AdvantageGo Limited

### Notes to the Financial Statements for the year ended 31 March 2022 (continued)

#### 3 Accounting policies (continued)

##### Share based payments

The parent company, Coforge Limited, India, has introduced an employee stock option plan. Certain employees of the Company are awarded options over the shares of the ultimate parent.

In accordance with FRS 102, the fair value of these options using the Black-Scholes model is recognised as an expense, with a corresponding increase in other reserves. The total amount to be expensed over the vesting period is determined by reference to the fair market value of the options granted. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest and recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

In the event that options are granted with an exercise price lower than the prevailing market price at grant date, and when Coforge Limited, India, makes a recharge to the Company in respect of share options granted to the Company's employees, these inter-company charges are offset in other reserves against the relevant capital contribution.

##### Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv) in respect of reconciliation of the number of shares outstanding at the beginning and end of the period;
- the requirements of Section 7 Statement of Cash Flows in respect of preparation of statement of cash flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d) in respect of presentation of statement of cash flows in the financial statements;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7 in respect of the non-disclosure of key management personnel compensation in total.

The Company is a wholly owned subsidiary of a group headed by Coforge Limited, India. Coforge Limited, India prepares consolidated financial statements and copies can be obtained from 8-Balaji Estate, Third Floor, Guru Ravidas Marg, Kalkaji, New Delhi – 110019, India. Consolidated financials can also be obtained for Coforge Limited, India, from that Company's website at the following address, <https://www.coforgetech.com/investors>

#### 4 Turnover

The turnover of the Company has been derived from its principal activity, for which a geographical analysis by origin and by destination is given below. The Company has only one main class of business, relating to sale of software products and services.

Geographical area	By Origin		By Destination	
	2022	2021	2022	2021
	£	£	£	£
UK	23,179,595	31,427,452	21,441,245	28,934,229
Europe	-	-	272,822	996,596
Rest of the world	-	-	1,465,528	1,496,627
	23,179,595	31,427,452	23,179,595	31,427,452

## Coforge AdvantageGo Limited

Notes to the Financial Statements for the year ended 31 March 2022  
(continued)

### 5 Operating profit

Operating profit is arrived at after charging/(crediting):

	31 March 2022 £	31 March 2021 £
Fees payable to company auditors for:		
The audit of the company pursuant to legislation	40,125	36,380
Tax services	16,000	16,000
Depreciation and amortisation:		
Owned tangible fixed assets	133,559	182,913
Research and development(Amortized)	682,102	682,101
Research and development expense	6,062,793	5,193,132
Rentals-under-operating-leases:		
Land and buildings	177,286	483,648
Plant and machinery	17,906	18,188
Foreign exchange loss / (gain)	99,031	(187,167)
Bad debts expense	31,000	424,380

### 6 Interest and similar expense, net

	31 March 2022 £	31 March 2021 £
Bank and tax refund interest	103	4,851
Interest expense on affiliate undertaking loan	(56,419)	(37,466)
Total Interest and similar expense, net	(56,316)	(32,615)

Interest expense relates to the loan taken from affiliated entities Coforge DPA UK Limited and Coforge BPM Inc. See note 15 for the terms of these loans.

### 7 Tax charge on profit on ordinary activities

	31 March 2022 £	31 March 2021 £
<b>Current tax:</b>		
UK Corporation tax at 19% (2021: 19%)	453,654	2,193,446
Total current tax charge	453,654	2,193,446
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(84,870)	(35,264)
Total deferred tax	(84,870)	(35,264)
<b>Tax charge on profit on ordinary activities</b>	<b>368,784</b>	<b>2,158,182</b>

## Coforge AdvantageGo Limited

### Notes to the Financial Statements for the year ended 31 March 2022 (continued)

#### 7 Tax on profit on ordinary activities (continued)

The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the United Kingdom 19% (2021: 19%). The differences are explained below:

	31 March 2022 £	31 March 2021 £
<b>Factors affecting tax charge for the year</b>		
Profit on ordinary activities before tax	2,024,926	10,993,362
Profit on ordinary activities at the standard rate of UK corporation tax 19% (2021: 19%)	384,736	2,088,739
Expenses not deductible for tax purposes	(15,952)	-69,443
<b>Tax charge for the year</b>	<b>368,784</b>	<b>2,158,182</b>

The deferred taxation asset of £152,570 (2021: deferred taxation asset £67,700) has been recognised and is disclosed within debtors, see note 14.

	31 March 2022 £	31 March 2021 £
Accelerated capital allowances	17,212	(39,543)
Short-term timing differences	90,420	87,562
Pension provision	10,186	10,186
Others	34,752	9,495
<b>Deferred tax asset</b>	<b>152,570</b>	<b>67,700</b>

	31 March 2022 £	31 March 2021 £
Deferred tax asset as at 1 April	67,700	32,436
Deferred tax charge to profit for the period	84,870	35,264
<b>Deferred tax asset as at 31 March 2022</b>	<b>152,570</b>	<b>67,700</b>

## **Coforge AdvantageGo Limited**

### **Notes to the Financial Statements for the year ended 31 March 2022 (continued)**

#### **7 Tax on profit on ordinary activities (continued)**

Based on current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years at a similar level to the current year.

The standard rate of corporation tax in the UK for the reporting period is 19%. Accordingly, the company's profit for the reporting period is taxed at an effective rate of 18.21% (2021: 19.63%) and will be taxed at 19% in the future.

In the Budget 2020 delivered on 11 March 2020, the government announced that the UK corporation tax rate for the years starting April 2020 and 2021 will remain at 19%. The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023.

The Company has adopted the new R&D expenditure credit legislation introduced in 2013 that allows large companies to claim expenditure credits equal to 13% of the qualifying research and development (R&D) expenditure, see note 9 for the details of calculation. The operating profit for the current reporting period includes the effect of these tax credits.



## Coforge AdvantageGo Limited

### Notes to the Financial Statements for the year ended 31 March 2022 (continued)

#### 8 Employees

	31 March 2022 £	31 March 2021 £
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	5,629,638	6,030,395
Social security costs	643,416	674,556
Other pension costs	687,690	531,898
Management Incentive Plan (MIP)	11,670	-
Other staff costs	52,179	132,939
	<b>7,024,593</b>	<b>7,369,788</b>

The average monthly number of persons employed by the company, in the UK, during the year was:

	31 March 2022 (number)	31 March 2021 (number)
<b>By activity</b>		
Software development and support staff	41	36
Sales and marketing	12	10
Administrative Staff	6	10
	<b>59</b>	<b>56</b>

A summary of all employees, directly and indirectly employed by affiliates is as follows:

	31 March 2022 (number)	31 March 2021 (number)	Increase (number)
<b>Location</b>			
UK, US, Spain	63	62	1
India	417	349	68
	<b>480</b>	<b>411</b>	<b>69</b>

The Company employs staff directly in the UK and indirectly in the US and Spain, which are included in the staff costs. Additionally, the majority of our employees are employed by Coforge India but contracted exclusively to the Company.

#### Pension costs

The Company operates a Defined Contribution Pension Scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The pension cost charge represents contributions payable by the company to the Coforge AdvantageGo Limited Group Personal Pension Scheme and amounts to £687,690 (2021: £531,898). There is an accrual at the year-end for the Company Personal Pension Scheme of £639 (2021: £53,610).

## Coforge AdvantageGo Limited

Notes to the Financial Statements for the year ended 31 March 2022  
(continued)

### 9 Research and Development Expenditure Credit

The Company has claimed research and development expenditure credit as per the guidelines prescribed by HMRC on an accrual basis in the statement of comprehensive income. A summary of the qualifying research and development expenditure and the gross RDEC is as follows:

	2022 £	2021 £
<b>Expenditure Category</b>		
Staffing costs	957,667	957,667
Connected externally provided workers (EPWs)	1,019,256	1,019,756
Total qualifying research and development expenditure	1,976,923	1,977,423
<b>Gross RDEC @ 13% (13% in 2021)</b>	<b>257,000</b>	<b>257,065</b>

Management is confident that the claims will be successful.

### 10 Directors' Emoluments

The directors' emoluments were as follows:

	2022 £	2021 £
Aggregate remuneration	67,944	60,874

Aggregate remuneration represents the remuneration of the directors. No loss of office compensation was paid to the director. Post-employment benefits under a defined contribution pension scheme aggregating to £10,583 (2021: £4,261) was paid to 1 director (2021: 1).

The management of the Company considered it to be impracticable to identify and estimate the director's emoluments of Mr. Kishore Krishnan and Mr. Gautam Samanta for their qualifying services to the Company. The directors are employees of other group companies and are remunerated by one of those companies, and did not receive remuneration for their services as director of the Company. As a result, this is not included in the directors' emoluments disclosure above.

### 11 Dividends

	31 March 2022 £	31 March 2021 £
<b>Declared and paid during the year</b>		
<b>Ordinary shares:</b>		
Interim paid: (2021: £3.5836 per 1p share)	-	4,500,000

## Coforge AdvantageGo Limited

Notes to the Financial Statements for the year ended 31 March 2022  
(continued)

### 12 Intangible assets

	Work-in-progress development costs £	Development costs £	Total £
<b>Cost</b>			
At 1 April 2021	-	6,472,436	6,472,436
Additions	1,243,092	-	1,243,092
<b>At 31 March 2022</b>	<b>1,243,092</b>	<b>6,472,436</b>	<b>7,715,528</b>
<b>Accumulated amortisation</b>			
At 1 April 2021	-	5,790,334	5,790,334
Charged in the year	-	682,102	682,102
<b>At 31 March 2022</b>	<b>-</b>	<b>6,472,436</b>	<b>6,472,436</b>
<b>Net book value</b>			
<b>At 31 March 2022</b>	<b>1,243,092</b>	<b>-</b>	<b>1,243,092</b>
At 31 March 2021	-	682,102	682,102

Work in progress shows the development cost incurred on new product (Underwriting v2).

### 13 Tangible assets

	Furniture and equipment £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 April 2021	524,961	3,073,851	3,598,812
Additions	-	16,229	16,229
<b>At 31 March 2022</b>	<b>524,961</b>	<b>3,090,080</b>	<b>3,615,041</b>
<b>Accumulated depreciation</b>			
At 1 April 2021	524,961	2,853,021	3,377,982
Charged in the year	-	133,559	133,559
<b>At 31 March 2022</b>	<b>524,961</b>	<b>2986,580</b>	<b>3,511,541</b>
<b>Net book value</b>			
<b>At 31 March 2022</b>	<b>-</b>	<b>103,500</b>	<b>103,500</b>
At 31 March 2021	-	220,830	220,830

## Coforge AdvantageGo Limited

### Notes to the Financial Statements for the year ended 31 March 2022 (continued)

#### 14 Debtors

	2022 £	2021 £
Trade debtors	2,351,880	3,855,014
Amounts owed by group undertakings	57,515	111,829
Amounts recoverable on contracts	11,133,735	8,057,734
Deferred tax asset (see note 7)	152,570	67,700
Corporation tax debtor	466,189	225,992
Other receivables	67,177	67,536
Prepayments and accrued income	823,360	615,138
<b>Amounts falling due within a year</b>	<b>15,052,426</b>	<b>13,000,943</b>
Amounts recoverable on contracts	8,851,497	8,356,056
Prepayments	105,778	27,429
<b>Amounts falling due after more than a year</b>	<b>8,957,275</b>	<b>8,383,485</b>

Amounts recoverable on contracts includes debtors which are yet to be billed for the license revenue recognized upfront where all the performance obligations are satisfied.

Trade debtors and amounts recoverable on contracts are net of allowance for specific doubtful accounts amounting to £455,380 (2021: £424,380). The following table illustrates the movement of allowance for doubtful accounts.

	2022 £	2021 £
Beginning balance, 1 April	424,380	-
Bad debts expense for the year	31,000	424,380
<b>Ending balance, 31 March</b>	<b>455,380</b>	<b>424,380</b>

Amounts owed by group undertakings includes the loan amounting to £Nil (2021: £85,108).

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

	2022 £	2021 £
Trade Creditors	369,002	85,670
Amount owed to group undertakings	4,715,592	2,068,091
Loans owed to group undertakings	1,000,000	2,811,750
Corporation tax payable	-	-
Other taxation and social security	883,705	2,230,489
Holiday pay accrual	85,004	85,004
Other accruals	597,307	1,645,304
Deferred income	1,819,489	2,280,357
	<b>9,470,099</b>	<b>11,206,665</b>

Amounts owed to group undertakings represent trade balances and are unsecured, non-interest bearing within stipulated payment terms. Interest payable on affiliate's loans are also recorded in this line item. Interest payable as of 31 March 2022 is £93,885 (2021: £37,466).

## Coforge AdvantageGo Limited

Notes to the Financial Statements for the year ended 31 March 2022  
(continued)

### 15 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Loans owed to group undertakings	1,900,750	-
	<b>1,900,750</b>	<b>-</b>

Loans given by related parties consists of the following:

Unsecured loan amounting to £1,000,000 given by a fellow subsidiary, Coforge DPA UK Limited, in September 2020 repayable in next 12 months in one or more instalments and carries simple interest rate of 2% p.a. The loan repayment term has been further extended until September 2022.

Unsecured loan amounting to US\$2,500,000 (approximately £1,900,000) given by a fellow subsidiary, Coforge BPM Inc., in June 2020 repayable before the end of 6 months in one or more instalments unless otherwise agreed and carries simple interest rate of 2% p.a. The loan repayment term has been further extended until September 2023. As a result, the loan has been reclassified to long-term liabilities as at the year-end 31 March 2022.

### 16 Provision for other liabilities

As part of the Company's property leasing arrangements there is an obligation to repair damages which are incurred during the life of the lease, such as wear and tear. The cost is charged to profit and loss as the obligation arises. The provision is expected to remain in the books till the expiry of the lease period which is 30<sup>th</sup> April 2023.

	2022	2021
	£	£
Provision for liabilities	390,889	375,853

### 17 Called up, allotted and fully paid up share capital

	2022 Number of shares	2022 £	2021 Number of shares	2021 £
<b>Authorised</b>				
Ordinary shares of 1p each	5,000,000	50,000	5,000,000	50,000
<b>Called up, allotted, and fully paid</b>				
Ordinary shares of 1p each	1,255,720	12,557	1,255,720	12,557

## Coforge AdvantageGo Limited

### Notes to the Financial Statements for the year ended 31 March 2022 (continued)

#### 18 Financial commitments

At 31 March 2022, the company had total commitments under non-cancellable operating leases payable as follows:

	2022 £	2021 £
(i) Land and buildings		
Within one year	19,627	185,164
Within two to five years	39,254	-
	58,881	185,164
(ii) Others		
Within one year	8,252	12,752
Within two to five years	-	4,500
	8,252	17,252

#### 19 Share Based payments

Coforge Limited, India which is the ultimate holding company of Coforge AdvantageGo Ltd. operates an Employee Stock Option Plan (ESOP 2005). The remuneration committee of the holding company can grant options over shares in the holding company to employees in the group. Options are granted with a fixed exercise price. Awards under the ESOP are generally reserved for employees at senior management level and above. In the prior year, the holding company granted 30,130 shares to an employee of the Company which are now forfeited because of resignation of such employee in the current financial year.

	2022 Number	2022 Weighted average exercise price INR Rs	2021 Number	2021 Weighted average exercise price INR Rs
Outstanding at 1 April 2021	30,130	10	30,130	10
Granted	-	-	-	-
Forfeited	(30,130)	(10)	-	-
Exercised	-	-	-	-
<b>Outstanding at 31 March 2022</b>	-	-	30,130	10
<b>Exercisable at 31 March 2022</b>	-	-	30,130	-

During the current reporting period, no further grants were issued or exercised. The net credit for the year relating to employee share-based payment plans is £49,972 (2021: charge of £49,972).

#### 20 Related party transactions

The Company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that it is a wholly owned subsidiary and consolidated financial statements are prepared by the ultimate parent company, Coforge Limited, India. The consolidated financial statements published by the parent company are publicly available (see note 22).

#### 21 Post Statement of Financial Position Events

There have been no significant events affecting the Company since the year end.

## **Coforge AdvantageGo Limited**

Notes to the Financial Statements for the year ended 31 March 2022  
(continued)

### **22 Ultimate holding company and controlling party**

Coforge UK Limited, which is incorporated and registered in the UK, is the immediate parent company. The ultimate parent company and controlling party is Coforge Limited, India, a Company registered in India, which is the parent of the smallest and largest group to consolidate these financial statements.

Coforge Limited, India, prepares consolidated financial statements and copies can be obtained from 8 Balaji Estate, third floor, Guru Ravidas Marg, Kalkaji, New Delhi – 110019, India or from the company's website, as follows - <https://www.coforgetech.com/investors>.