

REGISTERED NUMBER: 04349192 (England and Wales)

Strategic Report, Report of the Director and
Financial Statements for the Year Ended 31 March 2017
for
LCC Deployment Services UK Limited

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for the Year Ended 31 March 2017

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LCC Deployment Services UK Limited

Company Information
for the Year Ended 31 March 2017

DIRECTOR:

S N Gambhire

REGISTERED OFFICE:

Unit 1 River Court
Albert Drive
Woking
Surrey
GU21 5RP

REGISTERED NUMBER:

04349192 (England and Wales)

AUDITORS:

Hardcastle Burton LLP
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

LCC Deployment Services UK Limited (Registered number: 04349192)

Strategic Report
for the Year Ended 31 March 2017

The director presents his strategic report for the year ended 31 March 2017.

REVIEW OF BUSINESS

The income statement is shown on page 7. The statement of financial position on page 9 of the financial statements shows the company's financial position at the year-end.

The Company manages its operations on a global basis. During the period the company has, pro-rata, seen a decrease in turnover of 52.1% (2016 - 7.6%), the Company is maintaining income at a level that is considered satisfactory. Gross profit increased from a gross loss last year of 5.7% to a gross profit of 16.0% in the year.

The Company has prepared their accounts on the going concern basis. The accounts show that it held net current assets at 31 March 2017 of £0.9m (31 March 2016 - net current liabilities £3.1m) however these balances are affected by large intergroup balances, removal of these would result in net current assets of £1.2m (31 March 2016 - £0.3m). The balance sheet also shows net assets of £1.1m (2016 - net liabilities £2.7m). The directors consider this to be appropriate for the reasons described in note 1.

GOING CONCERN

Attention is drawn to the disclosure made in respect of going concern in note 2 to the accounts under basis of preparation.

RISK FACTORS

LCC is dependent on a limited number of large projects. Failure of one or more projects would lead to a significant further reduction of projects and therefore revenue.


Wireless service providers tend to consolidate their operations. The customer base of LCC is therefore reducing in terms of the number of clients. LCC has been able to increase its market profile to the level of a reliable global player with a top of the range level of technology understanding. It is therefore seen to be to be very competent in the field.

LCC is currently improving its position with equipment vendors. The reduction of customer base in wireless service providers is therefore more than compensated by bypassing end customers through channel partnerships.

Wireless service providers are improving their operating cost base by outsourcing activities and business units to third party service providers. LCC is profiling as a reliable, innovative third party service provider with a competitive "total cost of ownership" in services provided.

All principal risks and uncertainties as well as policies relating to pension schemes and social responsibilities relating to LCC Deployment Services UK Limited are disclosed in the Annual Report of its parent company Tech Mahindra Limited.

ON BEHALF OF THE BOARD:


.....
S N Gambhire - Director

Date: 19/12/2017

LCC Deployment Services UK Limited (Registered number: 04349192)

Report of the Director
for the Year Ended 31 March 2017

The director presents his report with the financial statements of the company for the year ended 31 March 2017.

During the previous period the accounting period was extended from 31 December 2015 to 31 March 2016 to match the year end of the ultimate holding company Tech Mahindra Limited.

The comparatives which cover the 15 months ended 31 March 2016 may not be fully comparable with the results of the current year which covers the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of planning, design and consulting services regarding the telecom networks in the United Kingdom.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2017.

DIRECTORS

The directors who have held office during the period from 1 April 2016 to the date of this report are as follows:

K M Young - resigned 23 November 2016

B J Dunn - resigned 7 April 2016

B Thompson - resigned 12 December 2016

S N Gambhire - appointed 23 November 2016

KEY PERFORMANCE INDICATORS

The Group uses turnover, operating profit and cash balances as the key performance indicators. During the year turnover was £4.6m (15 month period ended 31 March 2016 - £12.1m), operating profit was £0.3m (2016 - loss £3.2m) and cash at bank less bank overdrafts was £(0.2)m (2016 - £0.2m).

EXISTENCE OF BRANCHES OUTSIDE OF THE UNITED KINGDOM

A branch of the Company located outside of the United Kingdom during the year and at the year end existed in:

Republic of Ireland

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

LCC Deployment Services UK Limited (Registered number: 04349192)

Report of the Director
for the Year Ended 31 March 2017

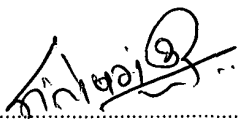
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware; and 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.

AUDITORS

The auditors, Hardcastle Burton LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
S N Gambhire - Director

Date: 19 / 12 / 2017

Report of the Independent Auditors to the Members of
LCC Deployment Services UK Limited

We have audited the financial statements of LCC Deployment Services UK Limited for the year ended 31 March 2017 on pages seven to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Director.

Report of the Independent Auditors to the Members of
LCC Deployment Services UK Limited

Matters on which we are required to report by exception

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Denise Lindsell FCA (Senior Statutory Auditor)
for and on behalf of Hardcastle Burton LLP
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

Date: 21-12-17

LCC Deployment Services UK Limited (Registered number: 04349192)

Income Statement
for the Year Ended 31 March 2017

		Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
	Notes		
TURNOVER		4,649,183	12,123,548
Cost of sales		3,907,409	12,803,900
GROSS PROFIT/(LOSS)		741,774	(680,352)
Administrative expenses		1,099,326	1,961,327
		(357,552)	(2,641,679)
Other operating income		694,415	-
OPERATING PROFIT/(LOSS)	4	336,863	(2,641,679)
Cost of fundamental reorganisation	5	-	148,868
		336,863	(2,790,547)
Amounts written off investments	6	(1,357)	-
		338,220	(2,790,547)
Interest payable and similar expenses	7	123,819	360,648
PROFIT/(LOSS) BEFORE TAXATION		214,401	(3,151,195)
Tax on profit/(loss)	8	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		214,401	(3,151,195)

The notes form part of these financial statements

LCC Deployment Services UK Limited (Registered number: 04349192)

Other Comprehensive Income
for the Year Ended 31 March 2017

	Notes	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
PROFIT/(LOSS) FOR THE YEAR		214,401	(3,151,195)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>214,401</u>	<u>(3,151,195)</u>

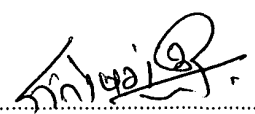
The notes form part of these financial statements

LCC Deployment Services UK Limited (Registered number: 04349192)

Statement of Financial Position
31 March 2017

	Notes	31.3.17 £	31.3.16 £
FIXED ASSETS			
Tangible assets	9	183,882	238,216
Investments	10	-	225,264
		<u>183,882</u>	<u>463,480</u>
CURRENT ASSETS			
Debtors	11	3,354,910	3,548,227
Cash at bank		728	191,908
		<u>3,355,638</u>	<u>3,740,135</u>
CREDITORS			
Amounts falling due within one year	12	<u>2,441,176</u>	<u>6,860,905</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>914,462</u>	<u>(3,120,770)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,098,344</u>	<u>(2,657,290)</u>
CREDITORS			
Amounts falling due after more than one year	13	-	920
NET ASSETS/(LIABILITIES)		<u><u>1,098,344</u></u>	<u><u>(2,658,210)</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	5,042,250	1,500,097
Share premium	19	4,999,904	4,999,904
Other reserves	19	2,953,216	2,953,216
Retained earnings	19	<u>(11,897,026)</u>	<u>(12,111,427)</u>
SHAREHOLDERS' FUNDS		<u><u>1,098,344</u></u>	<u><u>(2,658,210)</u></u>

The financial statements were approved by the director on 19/12/2017 and were signed by:


.....
S N Gambhire - Director

The notes form part of these financial statements

LCC Deployment Services UK Limited (Registered number: 04349192)

Statement of Changes in Equity
for the Year Ended 31 March 2017

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1 January 2015	1,500,097	(8,960,232)	4,999,904	2,953,216	492,985
Changes in equity					
Total comprehensive loss	-	(3,151,195)	-	-	(3,151,195)
Balance at 31 March 2016	<u>1,500,097</u>	<u>(12,111,427)</u>	<u>4,999,904</u>	<u>2,953,216</u>	<u>(2,658,210)</u>
Changes in equity					
Issue of share capital	3,542,153	-	-	-	3,542,153
Total comprehensive income	-	214,401	-	-	214,401
Balance at 31 March 2017	<u><u>5,042,250</u></u>	<u><u>(11,897,026)</u></u>	<u><u>4,999,904</u></u>	<u><u>2,953,216</u></u>	<u><u>1,098,344</u></u>

The notes form part of these financial statements

LCC Deployment Services UK Limited (Registered number: 04349192)

Statement of Cash Flows
for the Year Ended 31 March 2017

		Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	(3,962,426)	879,505
Interest paid		(116,781)	(340,682)
Interest element of hire purchase payments paid		(7,038)	(19,966)
Net cash from operating activities		<u>(4,086,245)</u>	<u>518,857</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(30,226)	(98,946)
Sale of tangible fixed assets		35,680	-
Sale of fixed asset investments		226,621	-
Net cash from investing activities		<u>232,075</u>	<u>(98,946)</u>
 Cash flows from financing activities			
Capital repayments in year		(43,562)	(138,470)
Share issue		3,542,153	-
Foreign exchange movements		(793)	1,323
Net cash from financing activities		<u>3,497,798</u>	<u>(137,147)</u>
 (Decrease)/increase in cash and cash equivalents		<u>(356,372)</u>	<u>282,764</u>
Cash and cash equivalents at beginning of year	2	191,908	(90,856)
 Cash and cash equivalents at end of year	2	<u><u>(164,464)</u></u>	<u><u>191,908</u></u>

The notes form part of these financial statements

LCC Deployment Services UK Limited (Registered number: 04349192)

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2017

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Profit/(loss) before taxation	214,401	(3,151,195)
Depreciation charges	80,363	268,864
Profit on disposal of fixed assets	(30,691)	-
Impairment of investments	(1,357)	-
Finance costs	123,819	360,648
	<hr/>	<hr/>
	386,535	(2,521,683)
Decrease in stocks	-	9,846
Decrease/(increase) in trade and other debtors	193,317	(292,019)
(Decrease)/increase in trade and other creditors	(4,542,278)	3,683,361
	<hr/>	<hr/>
Cash generated from operations	(3,962,426)	879,505
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2017

	31.3.17 £	1.4.16 £
Cash and cash equivalents	728	191,908
Bank overdrafts	(165,192)	-
	<hr/>	<hr/>
	(164,464)	191,908
	<hr/>	<hr/>

Period ended 31 March 2016

	31.3.16 £	1.1.15 £
Cash and cash equivalents	191,908	3,743
Bank overdrafts	-	(94,599)
	<hr/>	<hr/>
	191,908	(90,856)
	<hr/>	<hr/>

The notes form part of these financial statements

LCC Deployment Services UK Limited (Registered number: 04349192)

Notes to the Financial Statements
for the Year Ended 31 March 2017

1. STATUTORY INFORMATION

LCC Deployment Services UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The financial statements have been prepared on the going concern basis. The balance sheet shows net current assets of £0.9m (2016: liabilities £3.1m) and net current assets of £1.2m (2016: £0.3m) after the removal of intergroup balances. The balance sheet also shows net assets of £1.1m (2016: net liabilities £2.7m). The directors believe this to be appropriate for the following reasons.

LCC Europe Holdings BV is the immediate parent of LCC Deployment Services Limited.

LCC Europe Holdings BV consider that the UK operations and budget for 2017/2018 onwards indicate that the operations are feasible. LCC Europe Holdings BV will support the UK operations financially if needed within the constraints set out in the budget cycle held with local management. Financing needs have been fulfilled by the transfer of funds. According to plan additional funding may be needed and will be executed as necessary. From 2017 onwards the UK operations are planned to be cash flow positive and no further furnishing of financing is expected to be necessary.

Due to the above factors local, EU, US and India management of LCC UK Limited and LCC Deployment Services Limited have full faith in the feasibility and subsequent going concern of the UK operations.

Preparation of consolidated financial statements

The financial statements contain information about LCC Deployment Services UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 402 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as the subsidiary undertakings are not material to the group headed by the Company.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions which impact on the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Turnover

Turnover represents the total net sales to customers excluding value added tax. Contract revenue is recognised over the duration of the contract as work is performed.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	-	in accordance with the lease term
Plant and machinery	-	25% on cost
Motor vehicles	-	50% on cost and 20% on cost
Computer equipment	-	33% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Investments

Investments in subsidiary undertakings are stated at cost less provision for impairment.

Related party disclosure

As the company is a wholly owned subsidiary of Tech Mahindra Limited the company has taken advantage of the exemption contained within FRS 102 and has therefore not disclosed transactions with entities which form part of the group. The consolidated financial statements of Tech Mahindra Limited within which this company is included, can be obtained from the address given in note 21. Note 22 details the balances due (to)/from group undertakings as included in the current assets/(liabilities) on the balance sheet.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

2. ACCOUNTING POLICIES - continued

Long term contracts

Profit on contracting activities is taken as work progresses. Unless a more conservative approach is necessary, the percentage margin on each individual contract is the lower of the margin earned to date and that forecast to completion. Full provision is made for contract losses as soon as they are foreseen. Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

3. EMPLOYEES AND DIRECTORS

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Wages and salaries	783,597	2,291,067
Social security costs	91,912	272,333
Other pension costs	9,316	59,786
	<u>884,825</u>	<u>2,623,186</u>

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

	Year Ended 31.3.17	Period 1.1.15 to 31.3.16
Employees	<u>22</u>	<u>59</u>

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Directors' remuneration	64,349	171,915
Directors' pension contributions to money purchase schemes	<u>93</u>	<u>11,583</u>

The number of directors to whom retirement benefits were accruing was as follows:

	<u>1</u>	<u>1</u>
Money purchase schemes		

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

4. OPERATING PROFIT/(LOSS)

The operating profit (2016 - operating loss) is stated after charging/(crediting):

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Hire of plant and machinery	29,316	325,671
Depreciation - owned assets	73,863	97,319
Depreciation - assets on hire purchase contracts	6,499	171,544
Profit on disposal of fixed assets	(30,691)	-
Auditors' remuneration	16,500	16,500
Foreign exchange differences	35,539	68,023
	<u> </u>	<u> </u>

5. EXCEPTIONAL ITEMS

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Cost of fundamental reorganisation	-	(148,868)
	<u> </u>	<u> </u>

During the period ended 31 March 2016 the Company implemented a significant restructuring plan. The Company ceased making a loss making internal category of sales from February 2016. One of the directors was made redundant and the restructuring costs represent the resulting contracted severance fees.

6. AMOUNTS WRITTEN OFF INVESTMENTS

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Amounts w/o investments	(1,357)	-
	<u> </u>	<u> </u>

During the year investments amounting to £1,357 previously written off following an impairment review on the Company's holdings in Merlin Projects Limited were reinstated before the net assets in that investment were realised.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Other interest	74,246	334,214
Intercompany loan	42,535	6,468
Hire purchase	7,038	19,966
	<u> </u>	<u> </u>
	<u>123,819</u>	<u>360,648</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

8. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2017 nor for the period ended 31 March 2016.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.3.17 £	Period 1.1.15 to 31.3.16 £
Profit/(loss) before tax	<u>214,401</u>	<u>(3,151,195)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	42,880	(630,239)
Effects of:		
Expenses not deductible for tax purposes	6,634	1,677
Income not taxable for tax purposes	-	(3,426)
Capital allowances in excess of depreciation	(214)	-
Depreciation in excess of capital allowances	-	18,395
Reverse impairment of investment	(272)	-
Movement in trading losses	(49,028)	187,153
Group relief	-	426,440
Total tax charge	<u>-</u>	<u>-</u>

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2016	2,869	439,870	328,972	86,226	857,937
Additions	-	-	30,226	-	30,226
Disposals	-	(29,325)	(144,923)	-	(174,248)
Exchange differences	278	111	3,085	-	3,474
At 31 March 2017	<u>3,147</u>	<u>410,656</u>	<u>217,360</u>	<u>86,226</u>	<u>717,389</u>
DEPRECIATION					
At 1 April 2016	2,869	239,646	313,223	63,983	619,721
Charge for year	-	63,715	11,903	4,744	80,362
Eliminated on disposal	-	(29,325)	(139,933)	-	(169,258)
Exchange differences	278	89	2,315	-	2,682
At 31 March 2017	<u>3,147</u>	<u>274,125</u>	<u>187,508</u>	<u>68,727</u>	<u>533,507</u>
NET BOOK VALUE					
At 31 March 2017	<u>-</u>	<u>136,531</u>	<u>29,852</u>	<u>17,499</u>	<u>183,882</u>
At 31 March 2016	<u>-</u>	<u>200,224</u>	<u>15,749</u>	<u>22,243</u>	<u>238,216</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

9. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2016	37,166	166,355	203,521
Exchange differences	-	3,085	3,085
Transfer to ownership	(37,166)	(169,440)	(206,606)
	<hr/>	<hr/>	<hr/>
At 31 March 2017	-	-	-
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2016	29,689	152,374	182,063
Charge for year	7,477	(978)	6,499
Exchange differences	-	1,818	1,818
Transfer to ownership	(37,166)	(153,214)	(190,380)
	<hr/>	<hr/>	<hr/>
At 31 March 2017	-	-	-
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2017	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2016	<hr/> 7,477	<hr/> 13,981	<hr/> 21,458
	<hr/>	<hr/>	<hr/>

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2016	361,000
Disposals	(361,000)
	<hr/>
At 31 March 2017	-
	<hr/>
PROVISIONS	
At 1 April 2016	135,736
Eliminated on disposal	(134,379)
Reversal of impairments	(1,357)
	<hr/>
At 31 March 2017	-
	<hr/>
NET BOOK VALUE	
At 31 March 2017	-
	<hr/>
At 31 March 2016	<hr/> 225,264
	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade debtors	1,497,863	1,872,759
Amounts owed by group undertakings	1,466,151	849,797
Other debtors	6,662	-
Deferred tax asset	38,883	38,883
Prepayments and accrued income	78,745	98,551
Accrued income	266,606	688,237
	<u>3,354,910</u>	<u>3,548,227</u>

Included in other debtors is accrued income amounting to £266,606 (2016 - £688,237) related to contract work in progress.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Bank loans and overdrafts (see note 14)	165,192	-
Hire purchase contracts (see note 15)	-	42,642
Trade creditors	140,482	1,028,476
Amounts owed to group undertakings	1,769,319	4,236,715
Social security and other taxes	71,050	475,696
Accrued expenses	287,931	577,307
Deferred income	7,202	500,069
	<u>2,441,176</u>	<u>6,860,905</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.17	31.3.16
	£	£
Hire purchase contracts (see note 15)	<u>-</u>	<u>920</u>

14. LOANS

An analysis of the maturity of loans is given below:

	31.3.17	31.3.16
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>165,192</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.3.17	31.3.16
	£	£
Net obligations repayable:		
Within one year	-	42,642
Between one and five years	-	920
	<u>-</u>	<u>43,562</u>
	<u>-</u>	<u>43,562</u>
	Non-cancellable operating leases	
	31.3.17	31.3.16
	£	£
Within one year	104,016	104,016
Between one and five years	208,032	312,048
	<u>312,048</u>	<u>416,064</u>
	<u>312,048</u>	<u>416,064</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.17	31.3.16
	£	£
Bank overdraft	165,192	-
Hire purchase contracts	-	43,562
	<u>165,192</u>	<u>43,562</u>
	<u>165,192</u>	<u>43,562</u>

The bank overdraft is secured by way of a debenture giving a fixed and floating charge over the Company's assets dated 25 September 2014.

17. DEFERRED TAX

	£
Balance at 1 April 2016	(38,883)
Tax losses carried forward	
	<u></u>
Balance at 31 March 2017	<u>(38,883)</u>

The deferred tax asset is made up of tax losses carried forward.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
		31.3.17	31.3.16
		£	£
504,225,035	Ordinary	0.01	5,042,250
		<u>5,042,250</u>	<u>1,500,097</u>

354,215,335 Ordinary shares of 0.01 each were allotted and fully paid for cash at par during the year.

LCC Deployment Services UK Limited (Registered number: 04349192)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

19. RESERVES

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 April 2016	(12,111,427)	4,999,904	2,953,216	(4,158,307)
Profit for the year	214,401			214,401
At 31 March 2017	<u>(11,897,026)</u>	<u>4,999,904</u>	<u>2,953,216</u>	<u>(3,943,906)</u>

During the year ended 31 December 2012, £2,953,216 of debt due to the immediate parent was converted into investments in the books of the immediate parent. In this Company, this is reflected by a transfer from the loan due to the immediate parent to other reserves.

20. PENSION COMMITMENTS

The company operates a defined contribution scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £9,316 (2016: £59,786).

Contributions amounting to £Nil (2016 - £Nil) were payable to the scheme at the year end.

21. ULTIMATE PARENT COMPANY

Tech Mahindra Limited (incorporated in India) is regarded by the director as being the company's ultimate parent company.

The largest group in which the results of the company are consolidated is that headed by Tech Mahindra Limited, a company incorporated in India. The consolidated accounts of this group can be obtained from Plot No. 1, Phase 111, Rajiv Ghandhi Infotech Park, Hinjewadi, Pune - 411 057.

22. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Entities with control, joint control or significant influence over the entity

	31.3.17 £	31.3.16 £
Amount due from related party	<u>688,322</u>	<u>41,112</u>

Entities over which the entity has control, joint control or significant influence

	31.3.17 £	31.3.16 £
Amount due to related party	<u>-</u>	<u>81,619</u>

Key management personnel of the entity or its parent (in the aggregate)

	31.3.17 £	31.3.16 £
Directors' remuneration	<u>103,720</u>	<u>183,498</u>

LCC Deployment Services UK Limited (Registered number: 04349192)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

22. RELATED PARTY DISCLOSURES - continued

Other related parties

	31.3.17	31.3.16
	£	£
Amount due from related party	777,829	808,685
Amount due to related party	<u>1,769,319</u>	<u>4,155,096</u>

23. ULTIMATE CONTROLLING PARTY

The controlling party is LCC Europe Holdings BV.

The ultimate controlling party is Tech Mahindra Limited.