Target TG Investments Limited (formerly Robin TG Investments Limited)

Directors' report and financial statements

Registered number 07876029

15 month period ended 31 March 2018

Contents

Directors' report

The directors present their Directors' report and the financial statements for the period ended 31 March 2018.

During the period the company changed its accounting reference date to 31 March 2018 in order to align with its new parent undertaking. Therefore, the financial statements present the 15 month period ending 31 March 2018, whereas the comparative period represents the 12 month period ended 31 December 2016.

Principal activities

The company is an intermediate holding company of Target Group Limited and a subsidiary of Target Topco Limited.

Results and dividends

The results for the period are set out in the profit and loss account on page 9. The directors do not recommend the payment of a dividend *(2016: £Nil).*

Political contributions

Neither the company nor its subsidiary undertakings made any donations or subscriptions for political purposes during the period.

Credit risk

The company has implemented policies within its subsidiaries that require, where appropriate, credit checks on potential customers before sales are made and regular review of accounts are undertaken.

Directors

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

P. M. Byrne
V.S Agarawal
W. M. Alley (resigned 31 July 2017)
I. D. Larkin

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Directors' report *(continued)*

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

I.D. Larkin
Director

21 August 2018

Target House
Cowbridge Road East
Cardiff CF11 9AU

Registered number: 07876029

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG

KPMG LLP
Britannia Quay
Cardiff
CF10 4AX
United Kingdom

Independent auditor's report to the members of Target TG Investments Limited

Opinion

We have audited the financial statements of Target TG Investments Limited ("the company") for the period ended 31 March 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its result for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Target Topco Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Jeremy Thomas

Jeremy Thomas (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

3 September 2018

Profit and Loss Account and Other Comprehensive Income
for the period ended 31 March 2018

	Note	Period ended 31 March 2018 £000	Year ended 31 December 2016 £000
Interest payable and similar expenses	*4*	-	(968)
Loss before taxation		-	(968)
Tax on loss	*6*	-	-
Loss for the financial period and other comprehensive income		-	(968)

The company did not trade in either period and there were no other transactions in the current period.

The notes on pages 9 to 14 form part of these financial statements.

Balance sheet
at 31 March 2018

	Note	March 2018		December 2016	
		£000	£000	£000	£000
Fixed assets					
Investments	7		27,552		27,552
Creditors: amounts falling due within one year	8	(196)		(196)	
Net current liabilities			(196)		(196)
Net assets			27,356		27,356
Capital and reserves					
Called up share capital	9		44		44
Profit and loss account			27,312		27,312
Shareholders' funds			27,356		27,356

These financial statements, registered number 07876029, were approved by the board of directors on 21 August 2018 and were signed on its behalf by:

I.D. Larkin
Director

Statement of Changes in Equity

	Share capital £000	Profit and Loss account £000	Total £000
Balance at 1 January 2016	44	9,230	9,274
Total comprehensive income for the period			
Loss for the year	-	(968)	(968)
Other comprehensive income for the period	-	-	-
Capital contribution from shareholders, recorded directly in reserves	-	19,050	19,050
Balance at 31 December 2016 and 1 January 2017	44	27,312	27,356
Total comprehensive income for the period			
Profit or loss for the period	-	-	-
Other comprehensive income for the period	-	-	-
Balance at 31 March 2018	44	27,312	27,356

Notes

(forming part of the financial statements)

1 Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Target TG Investments Limited is a company incorporated in the United Kingdom under the Companies Act.

The Company is a private Company limited by shares and is registered in England & Wales. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 1 to 2.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2016 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Target TG Investments Limited meets the definition of a qualifying entity under FRS 102 paragraphs 1.8 to 1.12 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to intra-group transactions, remuneration of key management personnel, the statement of cash flows and financial instrument disclosures.

The Company proposes to continue to take advantage of the disclosure exemptions of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going Concern

The directors have presented the financial statements on the going concern basis. The directors expect the subsidiaries of Target TG Investments Limited to sustain profitable trading during the twelve months from the date of signing the accounts.

It is also their opinion that a subsidiary company will provide the funding necessary if it is required to support the business to meet its obligations as they fall due for at least 12 months from the date of approval of the financial statements. This is based on a confirmation that support will be available if required for at least twelve months form the date of the approval of these financial statements.

Notes *(continued)*

1 Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.
Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Impairment of non-financial assets

The carrying amounts of the entity's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Notes *(continued)*

1 Significant accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2 Critical accounting judgements and key sources of estimation uncertainty

The directors consider that there are no critical accounting judgements or key sources of information uncertainty that require disclosure.

3 Operating loss

Auditor's remuneration in respect of the company was £3k (2016: £3k) and was borne by a subsidiary company, Target Group Limited.

4 Interest payable and similar expenses (net of interest receivable)

	Period ended 31 March 2018 £000	Year ended 31 December 2016 £000
Interest receivable	-	161
Interest on borrowings	-	(1,129)
	-	(968)

Notes *(continued)*

5 Directors and employees

The directors did not receive any remuneration for their role as director of this company (2016: £nil).

6 Taxation

There was no current or deferred tax charge in either period.

The tax charge is higher (*2016: higher*) than the standard rate of corporation tax in the UK of 19.2% (2016: 20%) as explained below:

	Period ended 31 March 2018 £000	Year ended 31 December 2016 £000
Loss on ordinary activities before taxation	-	(968)
Total tax expense	-	-
Loss excluding taxation	-	(968)
Tax using the UK corporation tax rate at 19.2% (*2016 -20%*)	-	(194)
Effects of		
Losses utilised	-	-
Group relief surrendered	-	194
Total tax for the period	-	-

There is no deferred tax asset or liability recognised in the period.

The deferred tax asset, all arising from losses carried forward of £694k (2016: £694k), has not been recognised in the accounts as there is uncertainty as to whether there will be sufficient future taxable profits from which the losses would be utilised.

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2016) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2018. This will reduce the company's future current tax charge accordingly.

Notes *(continued)*

7 Fixed asset investments

	£000
Cost	
At 1 January 2017	34,765
At 31 March 2018	34,765
Provisions	
At 1 January 2017 and 31 March 2018	7,213
Net book value	
At 31 March 2018	**27,552**
At 31 December 2016	27,552

The company's wholly owned subsidiaries at 31 March 2018 were:

Subsidiary undertakings	Country of incorporation	Principal activity	Class of shares	Percentage of ownership
Target Group Limited*	United Kingdom	Provision of computer applications software and related services	Ordinary	100%
Target Servicing Limited	United Kingdom	Provision of business process outsourced services	Ordinary	100%
Harlosh Limited	United Kingdom	Provision of computer applications software and related services	Ordinary	100%
Harlosh New Zealand Limited	New Zealand	Provision of computer applications software and related services (closed during the period)	Ordinary	100%
Target Financial Systems Limited	United Kingdom	Management of owned loan portfolios	Ordinary	100%
Elderbridge Limited	United Kingdom	Lender of record for loan portfolios	Ordinary	100%

**Directly owned by the company.*

The registered office of all the above subsidiaries, with the exception of Harlosh New Zealand, is that of the parent company, as stated on page 2.

The registered office of Harlosh New Zealand Limited is c/o Ulrich Lander Limited, 21 Broderick Road, Johnsonville, Wellington, 6037, New Zealand. The closure of this subsidiary during the period resulted from a strategic decision to focus on other areas of business.

The directors assessed the carrying value of its investments in its subsidiary undertakings at period end and are of the opinion that they are not worth less than the carrying value in the financial statements.

Notes *(continued)*

8 Creditors: amounts falling due within one year

	2018 £000	2016 £000
Amounts due to group undertakings	196	196
	196	196

Amounts owed to group undertakings are non-interest bearing (2016: non-interest bearing) and are repayable on demand.

9 Share capital

	2018 £	2016 £
Allotted, called up and fully paid		
44,442 Ordinary shares of £1 each	44,442	44,442

10 Commitments

The company had no capital commitments at 31 March 2018 or 31 December 2016.

11 Parent undertaking and controlling party

The immediate parent company is Target Topco Limited. The company is a 100% subsidiary undertaking of Target Topco Limited, a company incorporated in Great Britain and registered in England and Wales. The registered office of Target TopCo Limited is Target House, Cowbridge Road East, Cardiff, CF11 9AU.

The smallest and largest group in which the results of the company are consolidated is Tech Mahindra Limited. The consolidated financial statements of Tech Mahindra Limited are available to the public on the National Stock Exchange of India Ltd (NSE), The BSE Limited (BSE) and the company's website (www.techmahindra.com). Tech Mahindra Limited is also the ultimate parent company and its registered office is Gateway Building, Apollo Bunder, Mumbai – 400001, India.

12 Related party transactions

There were no related party transactions in the year, other than those with wholly owned subsidiaries which are not disclosed due to the exemption under FRS 102.