
**Motherhood Technology Services United Kingdom Limited (Formerly
Motherhood Infotech and Solutions UK Limited)**

Directors' report and financial statements

For the Period Ended 31 March 2023

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

Company Information

Directors	Andreas Heuser Rajesh Srivastava Rajesh Thakur
Registered number	12992991
Registered office	Regus House, Office 205b, 400 Thames Valley Park Drive, Reading, Berkshire England RG6 1PT
Independent auditors	Mantax Lynton Chartered Accountants & Statutory Auditors 2nd Floor Equitable House 7 General Gordon Square London United Kingdom SE18 6FH
Bankers	ICICI Bank PLC

Contents

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 6
Income statement	7
Statement of comprehensive income	8
Statement of financial position	9 - 10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13 - 23
The following pages do not form part of the statutory financial statements:	
Detailed profit and loss account and summaries	24 - 27

**Directors' report
For the Period Ended 31 March 2023**

The directors present their report and the financial statements for the period ended 31 March 2023.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the period were:

Andreas Heuser
Rajesh Srivastava
Rajesh Thakur

Directors' report (continued)
For the Period Ended 31 March 2023

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Mantax Lynton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Rajesh Thakur
Director

Date: 17/05/2023

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

Independent auditors' report to the members of Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

Opinion

We have audited the financial statements of Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited) (the 'Company') for the period ended 31 March 2023, which comprise the Income statement, the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its loss for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements. At the end of the financial year, the Company's total liabilities exceeded its total assets by £1,535,307 (2022: £870,537) and its current liabilities exceeded current assets by £1,258,718 (2022: £265,417). As stated in note 2.2, these events or conditions along with other matters as set forth in the note 2.2, indicate that material uncertainty exist that may cast significant doubt on Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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, as explained in note 2.2, is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the members of Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited) (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Independent auditors' report to the members of Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited) (continued)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, 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.

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and relevant taxation legislation.
- Based on our understanding, inquiry with the management and representation from those charged with governance we understood how the company is complying with laws and regulations. We corroborated our understanding with supporting evidence.
- We assessed the internal controls established by the Company in order to mitigate risk of fraud or noncompliance with laws and regulations including the risk of management override of control and considering revenue recognition as a fraud risk. We designed our audit procedure and performed testing in all risk areas with special focus on journal entries and unusual transactions. We performed substantive testing, analytical procedure and cut off in order to gain comfort on completeness of revenue.
- Engagement team meeting discussed various risk areas including how and where fraud might occur in the financial statements including compliance with tax regulations. The engagement partner assessed the competence of engagement team members to ensure the team possess skills to identify fraud risk and recognise non-compliance with applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

Independent auditors' report to the members of Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited) (continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.



Janak Raj Pokhrel (Senior statutory auditor)

for and on behalf of

Mantax Lynton

Chartered Accountants & Statutory Auditors

2nd Floor Equitable House
7 General Gordon Square
London
United Kingdom
SE18 6FH

17 May 2023

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Income statement
For the Period Ended 31 March 2023**

	Note	2023 £	2022 £
Turnover		1,812,680	62,880
Cost of sales		(1,456,230)	(55,841)
Gross profit		356,450	7,039
Administrative expenses		(470,077)	(991,480)
Exceptional losses	6	(481,392)	-
Operating loss		(595,019)	(984,441)
Interest receivable and similar income		98,026	785
Interest payable and similar expenses		(175,190)	(15,591)
Loss before tax		(672,183)	(999,247)
Loss for the financial period		(672,183)	(999,247)

The notes on pages 13 to 23 form part of these financial statements.

**Statement of comprehensive income
For the Period Ended 31 March 2023**

	Note	2023 £	2022 £
Loss for the financial period		(672,183)	(999,247)
Other comprehensive income			
Capital contribution from parent company		7,413	28,710
Other comprehensive income for the period		7,413	28,710
Total comprehensive income for the period		(664,770)	(970,537)

The notes on pages 13 to 23 form part of these financial statements.


Statement of financial position
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	7	2,211	4,055
		<u>2,211</u>	<u>4,055</u>
Current assets			
Debtors: amounts falling due within one year	8	2,313,892	1,077,320
Cash at bank and in hand	9	684,616	689,434
		<u>2,998,508</u>	<u>1,766,754</u>
Creditors: amounts falling due within one year	10	(4,257,226)	(2,032,171)
Net current liabilities		<u>(1,258,718)</u>	<u>(265,417)</u>
Total assets less current liabilities		<u>(1,256,507)</u>	<u>(261,362)</u>
Creditors: amounts falling due after more than one year	11	(278,800)	(609,175)
Net liabilities		<u><u>(1,535,307)</u></u>	<u><u>(870,537)</u></u>
Capital and reserves			
Called up share capital	12	100,000	100,000
Other reserves	13	36,123	28,710
Profit and loss account	13	(1,671,430)	(999,247)
		<u><u>(1,535,307)</u></u>	<u><u>(870,537)</u></u>

Statement of financial position (continued)
As at 31 March 2023

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Rajesh Thakur
Director

Date: 17/05/2023

The notes on pages 13 to 23 form part of these financial statements.

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Statement of changes in equity
For the Period Ended 31 March 2023**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
Comprehensive income for the period				
Loss for the period	-	-	(999,247)	(999,247)
Capital contribution	-	28,710	-	28,710
Other comprehensive income for the period	-	28,710	-	28,710
Total comprehensive income for the period	-	28,710	(999,247)	(970,537)
Contributions by and distributions to owners				
Shares issued during the period	100,000	-	-	100,000
Total transactions with owners	100,000	-	-	100,000
At 1 April 2022	100,000	28,710	(999,247)	(870,537)
Comprehensive income for the period				
Loss for the period	-	-	(672,183)	(672,183)
Capital contribution	-	7,413	-	7,413
Other comprehensive income for the period	-	7,413	-	7,413
Total comprehensive income for the period	-	7,413	(672,183)	(664,770)
Total transactions with owners	-	-	-	-
At 31 March 2023	100,000	36,123	(1,671,430)	(1,535,307)

The notes on pages 13 to 23 form part of these financial statements.

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Statement of cash flows
For the Period Ended 31 March 2023**

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial period	(672,183)	(999,247)
Adjustments for:		
Depreciation of tangible assets	1,842	1,933
Interest paid	186,650	15,591
Interest received	(98,026)	(785)
(Increase) in debtors	(377,131)	(47,520)
(Increase) in amounts owed by groups	(1,323,237)	(1,029,800)
Increase in creditors	479,083	371,287
Increase in amounts owed to groups	3,076,481	609,175
Provision against inter-company advances	463,796	-
Net cash generated from operating activities	1,737,275	(1,079,366)
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(5,988)
Interest received	98,026	785
Net cash from investing activities	98,026	(5,203)
Cash flows from financing activities		
Issue of ordinary shares	-	100,000
New secured loans	-	1,689,594
Repayment of loans	(1,653,469)	-
Interest paid	(186,650)	(15,591)
Net cash used in financing activities	(1,840,119)	1,774,003
Net (decrease)/increase in cash and cash equivalents	(4,818)	689,434
Cash and cash equivalents at beginning of period	689,434	-
Cash and cash equivalents at the end of period	684,616	689,434
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	684,616	689,434
	684,616	689,434

The notes on pages 13 to 23 form part of these financial statements.

**Notes to the financial statements
For the Period Ended 31 March 2023**

1. General information

Motherson Technology Services United Kingdom Limited is a Company limited by shares incorporated in England and Wales. The Company's registration number and address of the registered office is given in the Company information page of these financial statements.

The principal activities of the Company in the period under review was that of a Information Technology and Consulting.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

At the end of the financial year, the Company's total liabilities exceeded its total assets by £1,535,307 (2022: £870,537) and its current liabilities exceeded current assets by 1,258,718 (2022 - 265,417). These conditions indicate the existence of material uncertainty on company's ability to continue as going concern.

However the financial statements have been prepared on a going concern basis as the group company has undertaken not to recall the loan amounting to £3,406,856 and the immediate holding company has agreed to provide financial support to the company as and when required.

Since inception the company has been funded by the group undertakings and during the year, the company received funding totaling £3.15 million (2022: £609K) from its parent and fellow subsidiaries.

The company's losses reduced from £999,247 in 2022 to £672,183 in the current year. However, after adjusting the provision against inter-company advances of £481,392 which is non recurring exceptional item, current year losses would reduce to £190,791. Also, the company achieved significant increment in turnover from £62,880 in 2022 to £1,812,680 in 2023. The directors are confident that company will achieve continuous increment in its turnover and become profitable in the foreseeable future. Due to on going support from its immediate parent company and directors' expectation to turn the company into profitability, its appropriate to prepare the financial statements on going concern basis.

**Notes to the financial statements
For the Period Ended 31 March 2023**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**Notes to the financial statements
For the Period Ended 31 March 2023**

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**Notes to the financial statements
For the Period Ended 31 March 2023**

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- Straight Line Method over 3 years
--------------------	-------------------------------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially

**Notes to the financial statements
For the Period Ended 31 March 2023**

2. Accounting policies (continued)

2.15 Financial instruments (continued)

at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management are required to make estimates and judgments which may materially affect reported income, expenses, assets, liabilities or disclosure of contingent assets and liabilities, and the valuation of investment properties, which were based on open market transactions. The estimates and assumptions are reviewed on an on-going basis and are based on historical experience and other factors that are considered to be relevant. Revision to accounting estimates are recognised in the period in which the estimate is revised.

**Notes to the financial statements
For the Period Ended 31 March 2023**

4. Employees

	2023 £	2022 £
Wages and salaries	264,197	410,698
Social security costs	33,945	44,310
Cost of defined contribution scheme	19,439	20,724
	317,581	475,732

The average monthly number of employees during the period was 3 (2022 - 4).

5. Taxation

	2023 £	2022 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the period

The Company made losses during the year hence there is no corporation tax payable for the year.

Factors that may affect future tax charges

The Company made losses during the year and previous year. These losses have been carried forward and will be available to offset against future profits.

**Notes to the financial statements
For the Period Ended 31 March 2023**

6. Exceptional items

	2023 £	2022 £
Provision against inter-company advances	481,392	-
	<u>481,392</u>	<u>-</u>

In the directors' opinion, inter-company advance given to a fellow subsidiary is highly unlikely to be recoverable, hence full provision has been made against such advances (including accrued interest receivable) in these financial statements.

7. Tangible fixed assets

	Computer equipments £
Cost or valuation	
At 1 April 2022	5,988
At 31 March 2023	<u>5,988</u>
Depreciation	
At 1 April 2022	1,933
Charge for the period on owned assets	1,844
At 31 March 2023	<u>3,777</u>
Net book value	
At 31 March 2023	<u>2,211</u>

There were no outstanding capital commitments at the year end.

**Notes to the financial statements
For the Period Ended 31 March 2023**

8. Debtors

	2023 £	2022 £
Trade debtors	226,274	12,357
Amounts owed by group undertakings	1,889,241	1,029,800
Other debtors	48,546	35,010
Prepayments and accrued income	149,831	153
	2,313,892	1,077,320

Amount owed by group undertakings represent various advances given to fellow subsidiaries headed by the same parent. These advances are unsecured and carry interest at varying rate based on loan agreement for each advances.

9. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	684,616	689,434
	684,616	689,434

**Notes to the financial statements
For the Period Ended 31 March 2023**

10. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	-	1,660,884
Trade creditors	484,241	263,071
Amounts owed to group undertakings	3,406,856	-
Other taxation and social security	3,349	13,181
Other creditors	55,814	18,086
Accruals	295,506	76,949
Deferred Revenue	11,460	-
	4,257,226	2,032,171

The following liabilities were secured:

	2023 £	2022 £
Bank loans	-	1,660,884
	-	1,660,884

Details of security provided:

Bank loan is secured by unconditional and irrevocable stand by letter of credit provided by Company's parent, Motherson Technology Services Limited, a company registered in India. Total approved limit is for \$4 million but outstanding balance at year end was £nil as this loan has been fully repaid during the year. Bank loan carry interest @Term SOFR + 1.85 bps p.a.

11. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Amounts owed to group undertakings	278,800	609,175
	278,800	609,175

Amounts owed to group undertakings includes advances received from parent and fellow subsidiaries headed by the same parent. These advances are unsecured and carry interest at varying rate based on loan agreement for each advances.

**Notes to the financial statements
For the Period Ended 31 March 2023**

12. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
100,000 (2022 - 100,000) Ordinary equity share capital shares of £1.00 each	100,000	100,000

13. Reserves

Other reserves

Other reserve represents the potential saving in bank interest due to lower interest rate on bank loan because of guarantee provided by the parent company. Without parent company's guarantee the company would have paid higher interest and the potential saving/benefit has been recognised as capital contribution. This is non distributable reserve.

Profit and loss account

Profit and loss reserves shows the accumulated losses of the Company.

14. Pension commitments

The Company operates a defined contributions 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 fund and amounted to £19,439 (2022:£20,724). Contributions totaling £5,517 (2022: £6,626) were payable to the fund at the reporting date.

15. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	3,153	3,153
	3,153	3,153

16. Related party transactions

The Company has taken advantage of exemption available under Sec 33 of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with parent company and wholly owned subsidiaries within the group that are eliminated on consolidation.

**Notes to the financial statements
For the Period Ended 31 March 2023**

17. Controlling party

The immediate parent Company is Motherson Technology Services Limited , a company registered India, who owns 100% ordinary shares in the Company. Parent Company prepares consolidated accounts and copy of group accounts can be obtained from the parent company's registered office address at 2nd floor, F-7, Block B1, Mohan Co-operative Industrial Estate, Mathura Road, Delhi, 1110044, India.

Ultimate parent company is Samvardhana Motherson International Limited, a company listed on National Stock Exchange (NSE) in India.

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Detailed profit and loss account
For the Period Ended 31 March 2023**

	Note	2023 £	2022 £
Turnover		1,812,680	62,880
Cost Of Sales		(1,456,230)	(55,841)
Gross profit		356,450	7,039
Less: overheads			
Administration expenses		(951,469)	(991,480)
Operating loss		(595,019)	(984,441)
Interest receivable		98,026	785
Interest payable		(175,190)	(15,591)
Loss for the period		(672,183)	(999,247)

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Schedule to the detailed accounts
For the Period Ended 31 March 2023**

	2023 £	2022 £
Turnover		
Sales	1,812,680	62,880
	1,812,680	62,880
	2023 £	2022 £
Cost of sales		
Outsourcing costs	1,456,230	55,841
	1,456,230	55,841

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Schedule to the detailed accounts
For the Period Ended 31 March 2023**

	2023 £	2022 £
Administration expenses		
Staff salaries	264,197	410,698
Staff private health insurance	-	1,925
Staff national insurance	33,945	44,310
Staff pension costs - defined contribution schemes	19,439	20,724
Staff welfare	1,049	-
Hotels, travel and subsistence	20,120	3,705
Consultancy fees	-	158,939
Printing and stationery	548	37
Postage	17	54
Telephone and fax	2,247	850
Computer costs	410	-
General office expenses	69	1,483
Advertising	-	66,433
Legal and professional	28,702	33,684
Auditors' remuneration	4,000	2,000
Bank charges	1,078	2,918
Difference on foreign exchange	20,586	(125)
Rent	40,184	54,240
Insurances	6,300	2,888
Depreciation	1,842	1,933
Business Promotion & Marketing	24,308	140,144
Recruitment Expenses	1,036	44,640
Provision against inter-company advances	481,392	-
	<u>951,469</u>	<u>991,480</u>
	2023 £	2022 £
Interest receivable		
Interest on inter-company advances	98,026	785
	<u>98,026</u>	<u>785</u>

Motherson Technology Services United Kingdom Limited (Formerly Motherson Infotech and Solutions UK Limited)

**Schedule to the detailed accounts
For the Period Ended 31 March 2023**

	2023 £	2022 £
Interest payable		
Bank loan interest payable	124,172	3,639
Interest on inter-company advances	51,018	11,952
	175,190	15,591