

D W S (NSW) PTY LIMITED
Financial Statements (Unaudited)
For the three month period ended 31 March 2021

D W S (NSW) Pty Limited
Statement of profit or loss and other comprehensive income
For the three month period ended 31 March 2021

	1 January 2021 to 31 March 2021
	\$
Revenue from contract with customers	3,556,128
Cost of sales	(2,548,803)
Gross profit	1,007,325
Selling and distribution expenses	(3,000)
Administrative expenses	(173,670)
Operating profit	830,655
Finance income	166
Profit before income tax	830,821
Income tax expenses	(182,984)
Profit after income tax	647,837
Other comprehensive income for the period (net of tax)	-
Total comprehensive income for the period	647,837

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

D W S (NSW) Pty Limited
Statement of financial position
As at 31 March 2021

31 March 2021

\$

ASSETS

Current assets

Cash and cash equivalents	680,900
Trade and other receivables	1,588,233
Short term loans to related entities	21,887,938
Total current assets	24,157,071

Non-current assets

Right-of-use assets	746,738
Property, plant and equipment	748,588
Goodwill	7,560,511
Deferred tax assets	468,885
Total non-current assets	9,524,722

TOTAL ASSETS

33,681,793

LIABILITIES

Current liabilities

Short term borrowings from related entities	25,098,666
Trade and other payables	626,493
Contract liabilities	155,618
Accrued employee costs	1,155,507
Lease liabilities	70,307
Income tax payable	176,026
Total current liabilities	27,282,617

Non-current liabilities

Accrued employee costs	115,469
Lease liabilities	800,934
Total non-current liabilities	916,403

TOTAL LIABILITIES

28,199,020

NET ASSETS

5,482,773

EQUITY

Contributed equity	100
Retained earnings	5,482,673
Total equity	5,482,773

The above statement of financial position should be read in conjunction with the accompanying notes.

Sridharan S

Sundaram Sridharan
 Director
 Date: 3rd August 2021

Prateek Aggarwal

Prateek Aggarwal
 Director
 Date: 3rd August 2021

D W S (NSW) Pty Limited
Statement of changes in equity
As at 31 March 2021

	Contributed equity	Retained earnings	Total
	\$	\$	\$
At 1st January 2021	100	4,834,836	4,834,936
Profit for the three month period	-	647,837	647,837
Total comprehensive income for the period	-	647,837	647,837
At 31 March 2021	100	5,482,673	5,482,773

The above statement of changes in equity should be read in conjunction with the accompanying notes.

D W S (NSW) Pty Limited
Statement of cash flows
As at 31 March 2021

	31 March 2021
	\$
Cash flow from operating activities	
Profit before tax for the period	830,821
Depreciation & amortization	6,638
Depreciation on ROU	11,824
Other interest income	(166)
Change in operating assets and liabilities	
Decrease in trade & other receivables	33,388
Decrease in contract liabilities	(28,063)
Increase in accrued employee costs	23,018
Decrease in trade & other payables	(14,565)
Cash Flow from operating activities	862,895
Tax refund	61,956
Net cash flow from operating activities	924,851
Cash flow from investing activities	
Loan given to related entities	(900,000)
Net cash outflow from investing activities	(900,000)
Cash flows from financing activities	
Proceeds from short term borrowings from related entities	136,640
Payment of lease liabilities including interest	2,434
Net cash inflow from financing activities	139,074
Net increase in cash and cash equivalents	163,924
Cash and cash equivalents at the beginning of the financial period	516,976
Cash and cash equivalents at end of the year	680,900

The above cash flow statement should be read in conjunction with the accompanying notes.

1 Corporate information

D W S (NSW) Pty Limited (“the Company”) was incorporated and domiciled in Australia. Its registered office is Level 4, 500 Collins Street, Melbourne, VIC 3000, Australia.

The Company is a part of leading Australian IT, business and management consulting group and the suite of solutions provided by Company covers, but not limited to, Digital Transformation, IT, Business and Management Consulting services, Data and Business Analytics, and Robotic Process Automation services. The financial report is presented in the Australian Dollars.

The Company is 100% subsidiary of DWS Limited and ultimately controlled by HCL Technologies Limited, which is incorporated in India.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial report has been prepared in accordance with the requirements of Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board.

The financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption.

(b) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

(d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank.

(e) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less an allowance for impairment. Trade receivables are generally due for settlement within 30 days.

(f) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

(g) Revenue recognition

Revenue from contracts with customers is recognised when the control of goods or services is transferred to the customers, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to be that which the Company will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(h) Trade and other payables

Trade and other payables are carried at amortized cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Goodwill

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Goodwill with indefinite useful lives are not amortized but are tested for impairment annually and whenever there is an indication that they may be impaired.

(j) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

(k) Financial instruments

Financial assets and financial liabilities are initially recognized on the balance sheet when the Company becomes party to the contractual provisions of the instrument. Recognition is based on the trade date.

Financial instruments are initially measured at fair value, plus in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

(l) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognized in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulated sick leave are recognized when the leave is taken and are measured at the rates paid or payable.

(m) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(n) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

(o) Leases

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

Company is lessee in case of office space, accommodation for its employees & IT equipment. Right-of-use asset represents the Company's right to control the underlying assets under lease and the lease liability is the obligation to make the lease payments related to the underlying asset under lease. The lease liability is measured at the lease commencement date and determined using the present value of the minimum lease payments not yet paid and the Company's incremental borrowing rate, which approximates the rate at which the Company would borrow, in the country where the lease was executed.

3 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

4 Subsequent events

Subsequent events are events or transactions that occur after the Balance Sheet date but before the financial statements are issued. The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the Balance Sheet, including the estimates inherent in the process of preparing the financial statements. The Company's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the Balance Sheet but arose after the Balance Sheet date and before financial statements are available to be issued.

Management evaluates events occurring subsequent to March 31, 2021 in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through August 3, 2021, which is the date the financial statements were available to be issued.