

**REGISTERED NUMBER: 07211807 (England and Wales)**

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015  
FOR  
SQS BFSI UK LTD  
PREVIOUSLY KNOWN AS THINKSOFT GLOBAL SERVICES UK LIMITED

SQS BFSI UK LTD (REGISTERED NUMBER: 07211807)  
PREVIOUSLY KNOWN AS THINKSOFT GLOBAL SERVICES UK LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2015

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Profit and Loss Account	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11

SQS BFSI UK LTD  
PREVIOUSLY KNOWN AS THINKSOFT GLOBAL SERVICES UK LIMITED

COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST MARCH 2015

<b>DIRECTORS:</b>	Ms Cindy Truyens Dr Martin Müller
<b>REGISTERED OFFICE:</b>	7-11 Moorgate London EC2R 6AF
<b>REGISTERED NUMBER:</b>	07211807 (England and Wales)
<b>AUDITORS:</b>	PSJ Alexander & Co Chartered Accountants & Statutory Auditors 1 Doughty Street London WC1N 2PH
<b>BANKERS:</b>	ICICI Bank UK PLC

STRATEGIC REPORT  
FOR THE YEAR ENDED 31ST MARCH 2015

---

The directors present their strategic report for the year ended 31st March 2015.

**REVIEW OF BUSINESS**

SQS BFSI UK Limited, formerly known as "Thinksoft Global Services UK Limited" is a wholly owned subsidiary of SQS India BFSI Limited, formerly known as "Thinksoft Global Services Ltd". SQS India BFSI Limited is a public Limited company incorporated under the laws of India and their shares are traded in two stock exchanges in India-NSE and BSE.

The SQS Group (SQS) is the world's leading specialist in software quality testing. SQS' is positioned as the market leader and has gained expertise over 30 years of successful consultancy. The company's competitive edge stems mainly from its PractiQ methodology, which is based on many years of project experience and specialist knowledge across a wide range of industries. With over 7,000 completed projects, SQS has a strong customer base, including half of the DAX-30, almost a third of the STOXX-50 and 20 FTSE-100 companies.

Founded in Cologne in 1982, SQS employs around 2,800 staff in Europe, Asia, North America and Africa. Along with a strong presence in Germany and the UK, SQS has further subsidiaries in Austria, Egypt, Finland, France, India, Ireland, the Netherlands, Norway, South Africa, Sweden, Switzerland, and the USA. SQS also has a joint venture in Portugal and a partnership with a company in Spain. In 2012, SQS generated a turnover of EUR 210.1 million. The company is listed on the AIM at the London Stock Exchange, with a secondary listing on the Deutsche Börse 'Open Market'.

Already UK region represents a major client base for SQS as many of the client do make repeat orders for the testing services provided by us. We have a strong sales team working in UK and also in other countries in the Europe region sourcing business. With the acquisition of majority stakes by SQS in Thinksoft, the UK region is expected to grow strongly in this region as SQS is already a known service provider in this region. The company is expecting to have more synergies in working with SQS, in terms of accessing new markets and new client base in UK region, which would surely help us grow in the market.

-

STRATEGIC REPORT  
FOR THE YEAR ENDED 31ST MARCH 2015

---

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company's principal financial instrument comprise bank balances and trade debtors which have been generated through the company's regular operation. Due to the nature of the financial instruments used by the company there is low exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned are as follows :

1. Interest Rate Risk : Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The company has no significant exposure to market risk for changes in interest rates because it has no interest bearing borrowings from any external sources.

2. Liquidity risk : Liquidity risk is the risk that the company will encounter difficulty in meeting financial obligations due to shortage of funds. The company has no significant liquidity risk as it maintains a level of cash and cash equivalents that is sufficient for working capital purpose. The liquidity risk is managed by maintaining a positive bank balance and ensuring there are sufficient funds to meet the payments as they fall due.

3. Credit Risk : Credit risk refers to the risk that the counterparty will default on its contractual obligation resulting in financial loss to the company. Trade Debtors are managed in respect of Credit and cash flows monitoring of amounts outstanding, and discussion with clients. The company only deal with creditworthy counterparties. The management however does not foresee any risk of default by the parties.

As on 31st March 2015 the parent company owes a trade receivable amount of GBP 59,820, which is unsecured and interest free.

Cash at bank are placed with credit worthy financial institutions.

4. Foreign Currency Risk : The company has no significant exposure to foreign currency risk.

**ON BEHALF OF THE BOARD:**

Dr Martin Müller - Director

21st April 2015

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST MARCH 2015

The directors present their report with the financial statements of the company for the year ended 31st March 2015.

**CHANGE OF NAME**

The company passed a special resolution on 15th August 2014 changing its name from Thinksoft Global Services UK Limited to SQS BFSI UK LTD.

**DIVIDENDS**

No dividends will be distributed for the year ended 31st March 2015.

**DIRECTORS**

The directors who have held office during the period from 1st April 2014 to the date of this report are as follows:

Ms Vanaja Arvind - resigned 8th April 2014  
Ms Cindy Truyens - appointed 8th April 2014  
Dr Martin Müller - appointed 8th April 2014

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are 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 each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SQS BFSI UK LTD (REGISTERED NUMBER: 07211807)  
PREVIOUSLY KNOWN AS THINKSOFT GLOBAL SERVICES UK LIMITED

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST MARCH 2015

**AUDITORS**

The auditors, PSJ Alexander & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Dr Martin Müller - Director

21st April 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SQS BFSI UK LTD

We have audited the financial statements of SQS BFSI UK LTD for the year ended 31st March 2015 on pages seven to fifteen. 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).

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 directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 31st March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

Vimal Shah (Senior Statutory Auditor)  
for and on behalf of PSJ Alexander & Co  
Chartered Accountants & Statutory Auditors  
1 Doughty Street  
London  
WC1N 2PH

21st April 2015



PROFIT AND LOSS ACCOUNT  
 FOR THE YEAR ENDED 31ST MARCH 2015

	Notes	2015		2014	
		£	£	£	£
<b>TURNOVER</b>			<b>1,838,790</b>		1,697,445
Staff costs	3	<b>1,391,547</b>		1,228,657	
Depreciation		<b>1,760</b>		1,178	
Other operating charges		<b>323,668</b>		356,563	
			<b>1,716,975</b>		1,586,398
<b>OPERATING PROFIT</b>	5		<b>121,815</b>		111,047
Interest receivable and similar income			<b>2,404</b>		-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<b>124,219</b>		111,047
Tax on profit on ordinary activities	6		<b>23,079</b>		26,500
<b>PROFIT FOR THE FINANCIAL YEAR</b>			<b>101,140</b>		84,547

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year.

BALANCE SHEET  
 31ST MARCH 2015

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	7	948	2,708
<b>CURRENT ASSETS</b>			
Debtors	8	452,910	363,075
Cash at bank		549,211	491,320
		1,002,121	854,395
<b>CREDITORS</b>			
Amounts falling due within one year	9	239,047	194,221
<b>NET CURRENT ASSETS</b>		<b>763,074</b>	660,174
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>764,022</b>	662,882
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	350,000	350,000
Profit and loss account	12	414,022	312,882
<b>SHAREHOLDERS' FUNDS</b>	16	<b>764,022</b>	662,882

The financial statements were approved by the Board of Directors on 21st April 2015 and were signed on its behalf by:

Dr Martin Müller - Director

CASH FLOW STATEMENT  
 FOR THE YEAR ENDED 31ST MARCH 2015

	Notes	2015 £	2014 £
<b>Net cash inflow from operating activities</b>	1	<b>353,660</b>	38,863
<b>Returns on investments and servicing of finance</b>	2	<b>2,404</b>	-
<b>Taxation</b>		<b>(23,974)</b>	(17,805)
<b>Capital expenditure</b>	2	<b>-</b>	(2,524)
		<b>332,090</b>	18,534
<b>Financing</b>	2	<b>(274,199)</b>	102,658
<b>Increase in cash in the period</b>		<b>57,891</b>	121,192
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Increase in cash in the period		<b>57,891</b>	121,192
Change in net funds resulting from cash flows		<b>57,891</b>	121,192
<b>Movement in net funds in the period</b>		<b>57,891</b>	121,192
<b>Net funds at 1st April</b>		<b>491,320</b>	370,128
<b>Net funds at 31st March</b>		<b>549,211</b>	491,320

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2015

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2015	2014
	£	£
Operating profit	121,815	111,047
Depreciation charges	1,279	1,178
Loss on disposal of fixed assets	481	-
Decrease/(increase) in debtors	186,914	(155,052)
Increase in creditors	43,171	81,690
<b>Net cash inflow from operating activities</b>	<b>353,660</b>	<b>38,863</b>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2015	2014
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	2,404	-
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>2,404</b>	<b>-</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	-	(2,524)
<b>Net cash outflow for capital expenditure</b>	<b>-</b>	<b>(2,524)</b>
<b>Financing</b>		
Group balances	(274,199)	102,658
<b>Net cash (outflow)/inflow from financing</b>	<b>(274,199)</b>	<b>102,658</b>

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/14	Cash flow	At
	£	£	31/3/15
			£
Net cash:			
Cash at bank	491,320	57,891	549,211
	491,320	57,891	549,211
<b>Total</b>	<b>491,320</b>	<b>57,891</b>	<b>549,211</b>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2015

---

1. **GOING CONCERN**

These financial statements have been prepared on the going concern basis which is dependent on the following considerations by the directors:

- The company has substantial net assets, and remains profitable. Its external customers are well known companies in the financial sector
- The company is not dependant on external financing.
- Forecasts of revenues and sales orders for the next 1-2 years indicate that the company will continue to meet its liabilities as they fall due

Based on the above the director has concluded that there are no material uncertainties that may cast significant doubt on the ability of the company to continue as a going.

2. **ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Turnover**

Turnover represents the value of services provided to the parent undertaking in India. It is determined in accordance with the transfer pricing agreement between the two companies and recognised in the period to which they relate.

Turnover excludes Value Added Taxes.

**Tangible fixed assets**

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

- Fixtures and fittings - at varying rates on cost
- Computer equipment - at varying rates on cost

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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**

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

3. **STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	1,311,797	1,163,193
Social security costs	79,750	65,464
	<u>1,391,547</u>	<u>1,228,657</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2015

3. **STAFF COSTS - continued**

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

	<b>2015</b>	2014
Management	<b>2</b>	2
Other staff	<b>16</b>	16
	<b>18</b>	18

4. **DIRECTORS' EMOLUMENTS**

	<b>2015</b>	2014
	£	£
Directors' remuneration	-	-

5. **OPERATING PROFIT**

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

	<b>2015</b>	2014
	£	£
Other operating leases	<b>7,811</b>	42,058
Depreciation - owned assets	<b>1,279</b>	1,178
Loss on disposal of fixed assets	<b>481</b>	-
Auditors remuneration	<b>5,915</b>	5,500
Foreign exchange differences	<b>389</b>	(2,684)

6. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	<b>2015</b>	2014
	£	£
Current tax:		
UK corporation tax	<b>23,079</b>	26,500
Tax on profit on ordinary activities	<b>23,079</b>	26,500

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2015

6. **TAXATION - continued**

**Factors affecting the tax charge**

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

	2015 £	2014 £
Profit on ordinary activities before tax	<b>124,219</b>	111,047
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	<b>26,086</b>	25,541
Effects of:		
Capital allowances in excess of depreciation	-	(508)
Depreciation in excess of capital allowances	<b>221</b>	-
Marginal rate relief	<b>(312)</b>	(1,059)
(Over)/under estimate of tax provision	<b>(2,916)</b>	2,526
Current tax charge	<b>23,079</b>	26,500

7. **TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1st April 2014	<b>6,664</b>	<b>6,121</b>	<b>12,785</b>
Disposals	<b>(900)</b>	<b>(565)</b>	<b>(1,465)</b>
At 31st March 2015	<b>5,764</b>	<b>5,556</b>	<b>11,320</b>
<b>DEPRECIATION</b>			
At 1st April 2014	<b>5,656</b>	<b>4,421</b>	<b>10,077</b>
Charge for year	<b>357</b>	<b>922</b>	<b>1,279</b>
Eliminated on disposal	<b>(419)</b>	<b>(565)</b>	<b>(984)</b>
At 31st March 2015	<b>5,594</b>	<b>4,778</b>	<b>10,372</b>
<b>NET BOOK VALUE</b>			
At 31st March 2015	<b>170</b>	<b>778</b>	<b>948</b>
At 31st March 2014	1,008	1,700	2,708

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2015

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2015</b>	2014
	£	£
Trade debtors	<b>101,554</b>	276,960
Amounts owed by group undertakings	<b>318,669</b>	41,920
Other debtors	<b>32,430</b>	44,195
Prepayments	<b>257</b>	-
	<b>452,910</b>	363,075

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2015</b>	2014
	£	£
Trade creditors	<b>203</b>	-
Amounts owed to group undertakings	<b>2,550</b>	-
Taxation	<b>26,800</b>	27,695
Social security and other taxes	<b>47,318</b>	23,161
VAT	<b>20,167</b>	48,385
Other creditors	<b>8,426</b>	6,559
Accrued expenses	<b>133,583</b>	88,421
	<b>239,047</b>	194,221

10. **OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>Land and buildings</b>	
	<b>2015</b>	2014
	£	£
Expiring:		
Within one year	-	42,564

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>2015</b>	2014
Number:	Class:	Nominal value:	£	£
350,000	Ordinary	1.00	<b>350,000</b>	350,000



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2015

12. **RESERVES**

	<b>Profit and loss account £</b>
At 1st April 2014	<b>312,882</b>
Profit for the year	<b>101,140</b>
At 31st March 2015	<b>414,022</b>

13. **ULTIMATE PARENT COMPANY**

SQS Software Quality Systems AG (incorporated in Germany) is regarded by the directors as being the company's ultimate parent company.

14. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

**SQS Group Limited**

Fellow subsidiary company

During the year, the company made an unsecured loan of £250,000 to SQS Group Limited at an interest rate of 4.5%, which is payable quarterly.

	<b>2015 £</b>	2014 £
Amount due from related party at the balance sheet date	<b>250,000</b>	41,920

15. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is SQS Software Quality Systems AG,

SQS Software Quality Systems AG acquired more than 50% of the share capital of SQS India BFSI Limited (Formerly Thinksoft Global Services Limited) in April 2014, and formally became the controlling party.

16. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2015 £</b>	2014 £
Profit for the financial year	<b>101,140</b>	84,547
Issue of share capital		
<b>Net addition to shareholders' funds</b>	<b>101,140</b>	84,547
Opening shareholders' funds	<b>662,882</b>	578,335
<b>Closing shareholders' funds</b>	<b>764,022</b>	662,882