

**Wallis Nominees (Computing) Pty Limited**  
**Financial Statements (Unaudited)**  
**For the year ended 31 March 2022**

**Wallis Nominees (Computing) Pty Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 March 2022**

	<b>31 March 2022</b>	<b>1 January 2021 to 31 March 2021</b>
	<b>\$</b>	<b>\$</b>
Revenue from contract with customers	77,223,216	15,912,691
Cost of sales	(58,956,765)	(13,652,793)
<b>Gross profit</b>	<b>18,266,451</b>	<b>2,259,898</b>
Selling and distribution expenses	(3,243,958)	(721,175)
Administrative expenses	(5,503,589)	(1,468,784)
<b>Operating profit</b>	<b>9,518,904</b>	<b>69,939</b>
Other income	48,306	1,418
Finance costs	(54,032)	(26,800)
<b>Profit before income tax</b>	<b>9,513,178</b>	<b>44,557</b>
Income tax credit/(expenses)	117,001	(140,533)
<b>Profit after income tax</b>	<b>9,630,179</b>	<b>(95,976)</b>
Other comprehensive income for the year/period (net of tax)	-	-
<b>Total comprehensive income for the year/period</b>	<b>9,630,179</b>	<b>(95,976)</b>

**Wallis Nominees (Computing) Pty Limited**  
**Statement of financial position**  
**As at 31 March 2022**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,397,899	1,708,901
Trade and other receivables	13,221,943	11,275,904
Contract assets	1,286,941	1,947,553
Short term loan to related entities	56,384,729	48,394,157
Advance tax	-	464,664
Total current assets	<u>72,291,512</u>	<u>63,791,179</u>
<b>Non-current assets</b>		
Right-of-use assets	1,781,120	1,679,889
Property, plant and equipment	825,157	826,905
Goodwill	1,519,747	1,519,747
Net deferred tax assets	3,134,646	3,186,349
Investment in related entities	741,803	741,803
Total non-current assets	<u>8,002,474</u>	<u>7,954,693</u>
<b>TOTAL ASSETS</b>	<u><b>80,293,986</b></u>	<u><b>71,745,872</b></u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Short term borrowings from related entities	31,778,442	34,403,442
Trade and other payables	4,784,134	4,386,725
Amount due to related entities	155,525	-
Contract liabilities	1,270,452	654,627
Accrued employee costs	6,549,184	6,402,937
Lease liabilities	609,002	116,258
Income tax payable	59,052	-
Total current liabilities	<u>45,205,791</u>	<u>45,963,989</u>
<b>Non-current liabilities</b>		
Accrued employee costs	654,954	652,607
Lease liabilities	1,388,742	1,714,956
Total non-current liabilities	<u>2,043,696</u>	<u>2,367,563</u>
<b>TOTAL LIABILITIES</b>	<u><b>47,249,487</b></u>	<u><b>48,331,552</b></u>
<b>NET ASSETS</b>	<u><b>33,044,499</b></u>	<u><b>23,414,320</b></u>
<b>EQUITY</b>		
Contributed equity	1,000,925	1,000,925
Retained earnings	32,043,574	22,413,395
<b>TOTAL EQUITY</b>	<u><b>33,044,499</b></u>	<u><b>23,414,320</b></u>



Sundaram Sridharan  
Director  
Date: 10 June 2022



Prateek Aggarwal  
Director  
Date: 10 June 2022

**Wallis Nominees (Computing) Pty Limited**  
**Statement of changes in equity**  
**As at 31 March 2022**

	<b>Contributed equity</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
At 1st April 2021	1,000,925	22,413,395	23,414,320
Profit for the year	-	9,630,179	9,630,179
Total comprehensive income for the year	-	9,630,179	9,630,179
<b>At 31 March 2022</b>	<b>1,000,925</b>	<b>32,043,574</b>	<b>33,044,499</b>

	<b>Contributed equity</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
At 1st January 2021	1,000,925	22,509,371	23,510,296
Profit for the period	-	(95,976)	(95,976)
Total comprehensive income for the period	-	(95,976)	(95,976)
<b>At 31 March 2021</b>	<b>1,000,925</b>	<b>22,413,395</b>	<b>23,414,320</b>

**Wallis Nominees (Computing) Pty Limited**  
**Statement of cash flows**  
**As at 31 March 2022**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flow from operating activities</b>		
Profit before tax for the year/period	9,513,178	44,557
Depreciation & amortization	84,855	18,800
Depreciation on right of use assets	535,729	8,078
Profit on sale of capital assets	(7)	-
Interest on lease liability	48,602	-
Other interest cost	-	26,800
<b>Change in operating assets and liabilities</b>		
Increase in trade & other receivables	(1,946,039)	(2,317,375)
Decrease/(increase) in contract assets	660,612	(201,321)
Decrease in contract liabilities	615,825	249,910
Increase in accrued employee costs	148,595	188,023
Increase/(decrease) in trade & other payables	397,410	(81,332)
Increase in due to related entities	155,525	-
<b>Cash Flow from operating activities</b>	<b>10,214,285</b>	<b>(2,063,861)</b>
Tax refund/(paid)	692,419	(102,731)
<b>Net cash inflow from/(used in) operating activities</b>	<b>10,906,704</b>	<b>(2,166,592)</b>
<b>Cash flow from investing activities</b>		
(Loan to)/repayment from related entities	(7,990,572)	1,402,870
Purchase of property, plant and equipment	(83,100)	-
<b>Net cash (used in)/inflow from investing activities</b>	<b>(8,073,672)</b>	<b>1,402,870</b>
<b>Cash flows from financing activities</b>		
Payment of short term borrowings	(2,625,000)	-
Payment of lease liabilities including interest	(519,034)	9,120
Interest paid	-	(26,800)
<b>Net cash outflow from financing activities</b>	<b>(3,144,034)</b>	<b>(17,680)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(311,002)</b>	<b>(781,403)</b>
Cash and cash equivalents at the beginning of the financial year/period	1,708,901	2,490,303
<b>Cash and cash equivalents at end of the year</b>	<b>1,397,899</b>	<b>1,708,901</b>

## **1 Corporate information**

Wallis Nominees (Computing) 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 Pty Limited (wholly owned subsidiary of HCL Australia Services Pty 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 year'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.

The Company is a part of tax consolidated group headed by HCL Australia Services Pty Limited and hence income tax expenses is accounted in head company.

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 non-interest bearing and are generally due for settlement in range from 30 to 120 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.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception. When the contract contains a financing component which provides the Company a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in AASB 15. Revenue from the sale of goods is recognised on the transfer of the control, which generally, coincides with the time of delivery of goods.

Contract balances

- **Contract assets**

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognized where there is excess of revenue over the billings. Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivable in our consolidated balance sheet. Contract assets primarily relate to unbilled amounts on fixed price contracts using the cost to cost method of revenue recognition. Unbilled receivables represent contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due).

- **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

**(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. Trade payables are non-interest bearing and are generally paid for settlement in range from 30 to 120 days.

**(i) Goodwill**

Goodwill arises 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 recent outbreak of COVID19 (Coronavirus) continues to impact the global economy and markets. At this time, the impact of the outbreak on our business has been limited as delivery of our services is uninterrupted, and we have currently not witnessed significant changes in demand, whereas our service delivery is intact and our liquidity remains healthy. However, going forward the COVID19 outbreak may negatively impact amongst others our, workforce, operations, and market demand and liquidity. We will take all necessary actions to keep our operations running and, most importantly, protect our employees, suppliers, customers and all other stakeholders.

Management evaluates events occurring subsequent to March 31, 2022 in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through 10 June 2022, which is the date the financial statements were available to be issued.