Company Registration No. 03417859

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Annual report and financial statements
For the financial year from 1 April 2019 to 31 March 2020

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Contents

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Officers and Professional Advisers

Directors
S A De La Harpe
C N Halbard Appointed 7 April 2020
M C Woodfine
T A Gough Resigned 7 April 2020

Registered office
Royal Pavilion
Wellesley Road
Aldershot
Hampshire,
GU11 1PZ

Principal bankers
National Westminster Bank Plc
63 Piccadilly
London
W1A 2AG

Principal legal adviser
Vistra Corporate Law
First floor, 10 Temple back
Bristol
BS1 6FL

Auditor
Deloitte LLP
Statutory Auditor
1 Station Square, Cambridge CB1 2GA
United Kingdom

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Strategic report

The directors present their Strategic report on the Company for the financial year ended 31 March 2020. In preparing the Strategic report, the directors have complied with s414c of the Companies Act 2006.

DXC UK EMEA Finance Limited ("the Company") is a private company incorporated in the United Kingdom under the Companies Act 2006, limited by shares and registered in England and Wales. The Company's registered and principal address is Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ.

The Company is an indirect subsidiary of DXC Technology Company (DXC) ("the Ultimate parent company"), a public listed company incorporated in the United States of America and listed on the New York Stock Exchange. The entities controlled directly or indirectly by the Ultimate parent company are referred as the Group companies ("Group").

The financial statements for the financial year 1 April 2019 to 31 March 2020 are set out on pages 9 to 19. A profit for the financial year of €39,378,000 (2019: profit of €36,011,000) has been transferred to reserves.

Business review
DXC UK EMEA Finance Limited continues to facilitate the group banking arrangements for the DXC Technology group in EMEA region.

Key transactions taking place during the financial year ended 31 March 2020 are as follows:

- During the year the Company repaid the loan amount of €10,000,000 from Xchanging Italy S.p.A at the rate of 1.5% per annum.

Risk management, objectives and policies
The directors have considered the risks attached to the Company's financial instruments which principally comprise loans to and from group companies. The directors have taken a prudent approach in their consideration of the various risks attached to the financial statements of the Company. The Company's exposure to price risk, credit risk, liquidity risk and cashflow risk is not material for the assessment of assets, liabilities and the financial statements.

On 23 June 2016, a referendum in the United Kingdom returned a result in favour of leaving the European Union. The United Kingdom formally left the EU on 31 January 2020 entering into a transition period until 31 December 2020. During this period the UK becomes a rule taker within the EU – with new legislation passed in the EU applied to the UK for the duration of the transition period Whilst the longer term political and economic effects of Brexit after the transition period ends are not easily predicted, the announcement of the referendum result immediately triggered a significant amount of market turbulence, including sterling falling against both the U.S. dollar and Euro. These impacts have since stabilised as other world events have risen in importance for investors. However, as negotiations continue between the EU and the UK, and with the transition period deadline approaches, further economic impacts cannot be rule out – both as the transition period ends and immediately after.

DXC has been actively planning for various Brexit scenarios since September 2018, with regular reporting to Senior Managers from a dedicated Brexit readiness team. Significant mitigation has already put in place to reduce the organisation's exposure in a number of key areas. The progress of EU / UK negotiations are likely to be a matter of significant speculation and markets are likely to react to any material news emerging from the negotiation process. DXC is monitoring these negotiations closely – both in order to prepare the business for any market reaction and to ensure its preparations for the end of the transition period remain adequate and proportionate. The situation continues to be monitored actively by subject matter experts on a daily basis and the directors shall review whether there has been any impact of changes to the foreign exchange on the financial statements after the future trading environment between the EU and UK becomes clear.

In relation to COVID-19, management constantly monitors the effects of the outbreak globally and the potential impact on the business. The outbreak increases uncertainty about the future prospects of the company with key risk areas identified as liquidity, customer's ability to pay and possible operational disruption. As the company is part of the DXC group and has received a letter of support from the ultimate parent Company, this has to be considered as a group level.

The DXC Group has a strong liquidity position that means it will be able to sustain the business throughout this crisis and works to meet all expected and any unexpected cash requirements by taking steps to minimise short term debt and maximise cash.

Strategic report (continued)

Risk management, objectives and policies (continued)
Senior leadership in DXC is actively managing response through a COVID-19 Response Team that meets on a regular basis to deal with all operational issues as and when they arise.

There has been minimal operational disruption as IT infrastructure already in place has enabled nearly all office staff to quickly switch to a "working from home" model. Where this has not been possible to meet our customer's requirements steps have been implemented to provide COVID-19 safe workplaces meaning business continues.

Management is actively taking steps to ensure the protection and retention of staff and the associated corporate memory that are crucial to the company's ability to weather this crisis and to rebuild when the opportunity arises.

Impairment and valuation risk of investments is dependent on the performance of the underlying group. The directors therefore perform annual impairment assessments on investment balances. It was noted that no impairment was required as per the assessment in the current financial year.

The director's policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. The Company had no hedged transactions during the financial year.

Further details on other business risks and uncertainties can be found in Section 1A of the DXC's consolidated financial statements for the year ended 31 March 2020, which are available to the public and may be obtained from the Company's website www.dxc.technology.

Future developments
At the date of the annual report, the directors are not aware of any likely changes in the Company's activities in the next period.

The Company continues to facilitate the group banking arrangements for the DXC Technology group in EMEA region. The Company settled the loan of €10,000,000 to Xchanging Italy S.p.A during the year and received the repayment of loan of €258,000,000 from Enterprise Services SAS subsequent to the year end, so the Company does not expect any finance expenses or finance income in the future period except the interest related to the bank balance. Other activities of the Company will remain the same.

In relation to COVID-19, Management recognise the degree of uncertainty created by the resulting economic impact and is continuously monitoring the situation, taking all necessary steps to protect its employees, customers and stakeholders

Key performance indicators
The Company is managed by the UKIIMEA (UK, Ireland, Israel, Middle East and Africa) regional management team. The performance and results for all entities are analysed on a worldwide DXC measurement basis, at a business unit and sector level. For this reason, the directors of the Company believe that analysis using key performance indicators is not appropriate for an understanding of the development, performance or position of the business shown in these financial statements.

Approved by the board and signed on its behalf by:

M C Woodfine
Director
30 November 2020

Registered Office:
Royal Pavilion
Wellesley Road
Aldershot
Hampshire
GU11 1PZ

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements for the financial year 1 April 2019 to 31 March 2020.

The Company's name has been changed from CSC Computer Sciences EMEA Finance Limited to DXC UK EMEA Finance Limited with effect from 1 April 2020.

Principal activity
The Company continues to facilitate the group banking arrangements for the DXC Technology Company group in EMEA region.

Future developments
Future developments have been detailed in the Strategic report on page 2 and form part of this report by cross reference.

Events since the reporting date
Details of significant events since the balance sheet date are contained in note 13 to the financial statements.

Research and development
The Company incurred no research and development expenses during the financial year (2019: €nil).

Branches outside the UK
The Company has no branch, located outside the UK, as defined in section 1046(3) of Companies Act 2006.

Financial risk management and objectives
Performance and finance risk management is an integral part of the Company's management processes. Details of Company's risk management are set out in the Strategic report on page 2 and form part of this report by cross reference.

Dividends
A dividend of €258,000,000 (2019: €nil) has been paid by the Company to its shareholder on 6 August 2020.

Directors
The following were directors of the Company during the financial year and up to the date of this report, except as noted:

S A De La Harpe	
C N Halbard	Appointed 7 April 2020
M C Woodfine	
T A Gough	Resigned 7 April 2020

No qualifying third-party indemnity provisions were made by the Company during the financial year for the benefit of its directors.

Political contribution
The Company made no political donations during the financial year (2019: €nil).

Going concern
The Company is profit making and reports net assets, thus the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Confirmation has been provided by the ultimate parent company that it will continue to support the operations going forward for at least 12 months from the date of signing these financial statements. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

In relation to COVID-19, Management is continuously monitoring the position and taking all necessary steps to protect its employees, customers and stakeholders. A Going Concern impact assessment has been completed that analysed DXC's current and future cash resources, access to existing and new financing facilities, including revolving facilities, the government support measures that have been announced and the customer base of the Group. These are set out in detail within the Strategic Report.

As a result, Management have a reasonable expectation of the Company's and DXC's viability over the period of assessment and obtained letter of support from the ultimate parent company, thus concluded that there are currently no impediments of identifying the Company other than as a going concern.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in note 2.

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Directors' report (continued)

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term. The Company has elected to dispense with the obligation to appoint an auditor annually under the provisions of section 485 to 488 of the Companies Act 2006 and appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

Disclosure of information to auditor

Each director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he/she has taken all steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

M C Woodfine

Director
30 November 2020

Registered Office:
Royal Pavilion
Wellesley Road
Aldershot
Hampshire
GU11 1PZ

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws 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), including FRS 101 "Reduced Disclosure Framework". 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 year. 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; and
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of DXC UK EMEA Finance Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of the profit of the Company for the financial year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of profit and loss;
- the Balance sheet;
- the Statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework".

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 auditor's 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 UK, including the Financial Reporting Council's (the 'FRC'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.

Conclusions relating to going concern
We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or

- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Independent auditor's report to the members of DXC UK EMEA Finance Limited (continued) (Formerly CSC Computer Sciences EMEA Finance Limited)

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, 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.

Auditor's 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 auditor's 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

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

Report on other legal and regulatory requirements

Opinions 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lee Welham FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom
30 November **2020**

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Statement of profit and loss
For the financial year 1 April 2019 to 31 March 2020

	Note	Financial year 1 April 2019 to 31 March 2020 €'000	Financial year 1 April 2018 to 31 March 2019 €'000
Administrative expenses		(4)	(26)
Operating loss	4	(4)	(26)
Finance income	6	40,567	42,270
Finance expense	6	(1,185)	(6,233)
Profit before taxation		39,378	36,011
Tax charge	7	-	-
Profit for the financial year		39,378	36,011

The above results are wholly attributable to continuing activities.

There is no profit or loss for the current and previous financial year other than those shown above. Accordingly, no Statement of comprehensive Income has been presented.

The notes on pages 12 to 19 form part of these financial statements.

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Balance sheet
As at 31 March 2020

	Note	As at 31 March 2020 €'000	As at 31 March 2019 €'000
Assets			
Non-current asset			
Trade and other receivables	8	258,000	258,000
Total non-current asset		258,000	258,000
Current assets			
Trade and other receivables	9	3,952	3,125
Cash and cash equivalents		108,597	80,064
Total current assets		112,549	83,189
Total assets		370,549	341,189
Liabilities			
Current liabilities			
Trade and other payables	10	(18)	(10,036)
Total current liabilities		(18)	(10,036)
Net current assets		112,531	73,153
Total assets less current liabilities		370,531	331,153
Total liabilities		(18)	(10,036)
Net assets		370,531	331,153
Equity			
Share capital	11	114,001	114,001
Share premium		144,000	144,000
Profit and loss account		112,530	73,152
Total equity		370,531	331,153

The notes on pages 12 to 19 form part of these financial statements.

These financial statements of DXC UK EMEA Finance Limited (registered no. 03417859) on pages of 12 to 19 were approved and authorised for issue by the board of directors on 30 November 2020 and signed on its behalf by:

M C Woodfine
Director

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Statement of changes in equity
For the financial year 1 April 2019 to 31 March 2020

	Share capital €'000 (Note 11)	Share premium €'000	Profit and loss account €'000	Total €'000
Balance as at 1 April 2018	114,001	144,000	37,141	295,142
Total comprehensive income for the financial year	-	-	36,011	36,011
Balance as at 31 March 2019	114,001	144,000	73,152	331,153
Total comprehensive income for the financial year	-	-	39,378	39,378
Balance as at 31 March 2020	114,001	144,000	112,530	370,531

The notes on pages 12 to 19 form part of these financial statements.

The share premium account represents the excess of the issue price over the par value on shares issued less transaction costs arising on issue.

The profit and loss account reserve represent accumulated retained earnings.

DXC UK EMEA Finance Limited (Formerly CSC Computer Sciences EMEA Finance Limited)

Notes to the financial statements

For the financial year 1 April 2019 to 31 March 2020

1) Basis of accounting and general information

DXC UK EMEA Finance Limited ("the Company") facilitates the group's global banking arrangements for the DXC group in EMEA region.

The Company is a private company and is incorporated in the United Kingdom under the Companies Act 2006, limited by shares and registered in England and Wales. The Company's registered and principal address is Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ.

2) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

Basis of preparation
The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101. Where relevant, equivalent disclosures have been given in the consolidated financial statements of the ultimate parent company, DXC Technology Company ("DXC") in relation to:

- the disclosure exemptions from IFRS 7 "Financial Instruments: Disclosures";
- the disclosure exemptions from IFRS 13 "Fair Value Measurement" to the extent that they apply to financial instruments;
- the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the disclosure exemptions from Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment';
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  (i) paragraph 79(a)(iv) of IAS 1;
  (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  (iii) paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of the following paragraphs of IAS 1 Presentation of Financial Statements:
  10(d) and 111 – a statement of cash flows for the period;

  10(f) – a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements;

  16 – a statement of compliance with IFRS, which is not applicable since we are adopting FRS101 rather than following IFRS in full;

  38A-D and 40A-D – a third statement of financial position, profit and loss and other comprehensive income, statement of changes in equity and other additional comparative information;

  134-136 – disclosure of management of capital;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 Business Combinations."

2) Summary of significant accounting policies (continued)

Basis of preparation (continued)

- the disclosure exemptions from paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";
- the requirements of IAS 7 "Statement of Cash Flows";
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements of IAS 24 "Related Parties" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transactions is wholly owned by such a member; and
- the requirements of IAS 36 "Impairment of Assets".

Going concern
The Company's business activities, together with the factors likely to affect its future development, principal risks and uncertainties, performance and position are set out within the Strategic report and Directors report.

The Company is profit making and reports net assets. Confirmation has been provided by the parent company, which has provided a letter of support, that it will continue to support the operations going forward for a minimum of twelve months from the date of signing these financial statements.

In relation to COVID-19, Management is continuously monitoring the position and taking all necessary steps to protect its employees, customers and stakeholders. A Going Concern impact assessment has been completed that analysed DXC's current and future cash resources, access to existing and new financing facilities, including revolving facilities, the government support measures that have been announced and the customer base of the Group. These are set out in detail within the Strategic Report.

The directors have a reasonable expectation that the Company, and DXC, have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

New or amended Accounting Standards and Interpretations adopted
The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Financial Reporting Council ('FRC') that are mandatory for the current reporting period. The adoption of these standards does not have any material impact on the financial statements of the Company which needs to be disclosed.

There are no other amendments to accounting standards, or IFRIC interpretation that are effective for the year ended 31 March 2020 have had a material impact on the Company. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Foreign currency translation
Foreign currency transactions are translated into the functional currency of GBP using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of profit and loss, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the Statement of profit and loss within 'Other operating expense.'

Interest income
Interest income is recognised in the Statement of profit and loss using the effective interest method.

2) **Summary of significant accounting policies (continued)**

Finance costs
Finance costs of debt, including interest, premiums payable on settlement and direct issue costs are charged to the Statement of profit and loss in the financial year in which they fall due.

Current and deferred taxation
The tax expense for the financial year comprises current and deferred tax. Tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholder's funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the Balance sheet in the countries where the Company operates and generates taxable income. Provisions are made where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the Balance sheet and are expected to apply when the related deferred income tax asset is realised of the deferred income tax liability is settled.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments
Financial assets and financial liabilities are recognised in the Company's Balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets:
Trade and other receivables
Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using effective interest method, less any appropriate provision for impairment. The Company applies the IFRS 9 simplified approach to measure the expected credit loss which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

They are included in current assets, except for payment terms greater than twelve months after the end of the reporting period. These are classified as non-current assets.

Impairment of financial assets
The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. The Company applies the IFRS 9 simplified approach to measure the expected credit loss which uses a lifetime expected loss allowance for all financial assets.

2) Summary of significant accounting policies (continued)

Financial assets (continued)
Derecognition of a financial asset
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers, nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. In the Balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Financial liabilities and equity:
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Trade and other payables

Trade and other payables represent amount of loan borrowed and their corresponding interest payables on such outstanding loan amount payable by the related parties as at the year end.

Finance costs and debt
Finance costs of debt are recognised in the Statement of profit and loss over the term of such investments at a constant rate on the carrying amount. Debt is initially stated at the amount of the net proceeds after the deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting year and reduced by repayments made in the year.

3) Critical accounting judgements and key sources of estimation uncertainty
Certain accounting policies are considered to be critical. An accounting policy is considered to be critical if, in the directors' judgement, its selection or application materially affects the financial position or results. The application of the accounting policies also requires the use of estimates and assumptions that affect the financial position or results.

Below is a summary of areas in which estimation is applied primarily in the context of applying critical accounting policies and judgements.

Critical accounting policies and judgements
In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on historical experience and other factors, that are considered to be relevant. Actual outcomes may differ from these judgements, estimates and assumptions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Having performed an assessment, the directors have concluded that there are no critical accounting judgements in relation to these financial statements.

Key sources of estimation uncertainty
There are no areas for which major sources of estimation uncertainty at the reporting period end that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets and liabilities.

4) Operating loss

The auditors' remuneration is borne by a fellow group undertaking within the DXC Technology Company group. The allocated fees payable to the Company's auditor for the audit of the Company's annual financial statements is €5,720 (2019: €5,669).

5) Employees and Directors

There were no employees of the Company during the current or previous financial year.

Total remuneration borne by other entities

The total amounts paid to the directors amounts to €1,037,260 which is borne by DXC UK International Limited and EntServ UK Limited.

Highest paid director

The highest paid director was paid through EntServ UK Limited.

6) Finance income and expense

Finance income

	Financial year 1 April 2019 to 31 March 2020 €'000	Financial year 1 April 2018 to 31 March 2019 €'000
Interest receivable on loans to other fellow group undertakings	3,881	3,870
Bank interest income	36,686	38,400
Total finance income	40,567	42,270

Interest receivable on loans to other fellow group undertakings includes interest on loans provided to Enterprise Services France SAS for € 258,000,000 (2019: €258,000,000) which earns interest at 1.5% per annum.

Finance expense

	Financial year 1 April 2019 to 31 March 2020 €'000	Financial year 1 April 2018 to 31 March 2019 €'000
Interest payable on loans with other fellow group undertakings	(80)	(3,260)
Interest payable on bank overdraft	(1,105)	(2,973)
Total finance expenses	(1,185)	(6,233)

Interest payable on loans from other fellow group undertaking include interest on a loan €10,000,000 by Xchanging Italy S.p.A with interest rate of 1.5% per annum. The loan from Xchanging Italy S.p.A was settled in October 2019.

7) Taxation

Current taxation	**Financial year 1 April 2019 to 31 March 2020 €'000**	**Financial year 1 April 2018 to 31 March 2019 €'000**
Current tax		
UK corporation tax on profits for the year 19% (2019: 19 %)	-	-
Total current tax charge	-	-
Deferred tax		
Adjustment in respect of prior years	-	-
Origination and reversal of timing differences	-	-
Impact of change in tax rate	-	-
Total deferred tax benefit	-	-
Tax charge on profit	-	-

The tax expense for the financial year is lower (2019: lower) than the standard rate of corporation tax in the United Kingdom for the financial year ended 31 March 2020 of 19% (2019: 19%).

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The differences are explained below:

	Financial year 1 April 2019 to 31 March 2020 €'000	**Financial year 1 April 2018 to 31 March 2019 €'000**
Profit before taxation	39,378	36,011
Profit multiplied by the standard rate of tax in the United Kingdom of 19% (2019: 19%)	7,482	6,842
Effects of:		
Transfer pricing adjustments	(23)	
Group relief surrendered	(7,459)	(6,842)
	-	-

Finance Bill 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 31 March 2019 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occur and the Corporation Tax Rate will be held at 19%.

The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year ended 31 March 2020.

At budget 2020, the government announced that the UK corporation tax rate for the years starting 1 April 2020 and 2021 would remain at 19%.

8) Trade and other receivables: disclosed as non- current assets

	31 March 2020 €'000	31 March 2019 €'000
Amounts owed by other fellow group undertakings	258,000	258,000
	258,000	258,000

Unsecured loan provided to Enterprise Services France SAS for € 258,000,000 (2019: 258,000,000) which earns interest at 1.5% per annum.

9) Trade and other receivables: disclosed as current asset

	31 March 2020 €'000	31 March 2019 €'000
Amounts owed by other fellow group undertakings	2,455	1,830
Accrued income	1,497	1,295
	3,952	3,125

The balance with other fellow group undertakings are unsecured, not interest bearing and repayable on demand.

10) Trade and other payables: disclosed as current-liabilities

	31 March 2020 €'000	31 March 2019 €'000
Amounts owed to fellow group undertakings	-	10,013
Accrued expense	18	23
	18	10,036

Amount to fellow group undertakings is nil due to repayment of unsecured loan and interest to Xchanging Italy S.p.A in October 2019.

11) Share capital and share premium

	31 March 2020 €'000	31 March 2019 €'000
Authorised, allotted, issued and fully paid:		
100,001,000 (2019: 100,001,000) Ordinary shares of €1.14 each	114,001	114,001

The Company has one class of ordinary shares which carries no right to fixed income.

No shares reserved for issue under options and contracts for the sale of shares.

12) Controlling parties

The ultimate parent company and controlling entity is DXC Technology Company, a company incorporated in the United States of America. This is the parent undertaking of both the smallest and the largest group which includes the Company and for which group financial statements are prepared. Copies of the group financial statements of DXC Technology Company are available from 1775 Tysons Blvd, Tysons, VA 22102, USA.

The immediate parent company of DXC UK EMEA Finance Limited is DXC UK International Operations Limited, a company incorporated in Great Britain and its registered address is Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ.

13) Events after the end of the reporting year

Subsequent to the year ended 31 March 2020, the Company:

a) On 1 April 2020 changed its company name from CSC Computer Sciences EMEA Finance Limited to DXC UK EMEA Finance Limited.
b) On 30 April 2020 received the repayment of loan amount of €258,000,000 from Enterprise Services SAS.
c) On 30 June 2020 reduced its share capital of €114,001,140 to €14,001,140 by cancelling and extinguishing 100,000,000 fully paid ordinary shares of €1 each.
d) On 30 June 2020 cancelled and extinguished the sum of €144,000,000 from the share premium account.
e) On 6 August 2020 paid an interim dividend of €258,000,000 to DXC UK International Operations Limited.

As a result of the outbreak of COVID-19, the DXC group has introduced a number of resilience protocols and business continuity plans under the direction of the COVID-19 Response Team led by the most senior members of the UK management team. The plans in place are aimed at protecting both DXC's customers and employees.

The DXC group's performance in FY20 was consistent with plans announced to the market and there has been no real impact on the results of the business given the timing of the outbreak and its impact on the economy, i.e. mid- to late March 2020. The macro economic outlook remains uncertain. This potentially could have an adverse impact on the performance and cash flow of the group. The group will continue to monitor and take steps, where necessary, to limit the impact of a possible recession as a result of COVID-19 on the performance, operations and financial position of the group. However, the group is well positioned with strong capital and liquidity resources at its disposal.

There were no material or significant events other than mentioned above that occurred in the period from 31 March 2020 to the date of reporting that would require adjustment to or disclosure in the financial statements.