

Company Registration No. 03716736

iSoft Group (UK) Limited

Annual report and financial statements

For the financial period from 2 April 2016 to 31 March 2017

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iSoft Group (UK) Limited

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iSoft Group (UK) Limited

Officers and professional advisers

Directors

A Fiumicelli		
T A Gough	Appointed 12 April 2017	
N A Wilson	Appointed 10 April 2017	
D W H Gray	Appointed 23 January 2017	Resigned 07 April 2017
M C Woodfine	Appointed 16 June 2016	
G Loria	Appointed 18 July 2016	Resigned 23 January 2017
S M Adams	Resigned 16 June 2016	
C A Wilson	Appointed 16 June 2016	Resigned 23 January 2017

Company secretary

M C Woodfine

Registered office

Royal Pavilion
Wellesley Road
Aldershot
Hampshire
GU11 19Z

Principal bankers

Barclays Bank PLC
Leicester Servicing Center
United Kingdom
LE87 2 BB

Auditor

Deloitte LLP
Statutory Auditor
St Albans, United Kingdom

Solicitor

Ashurst
Broadwalk House
5 Appold Street
London
EC2A 2HA
United Kingdom

iSoft Group (UK) Limited

Strategic Report

The directors present their Strategic report on the Company for the financial period ended 31 March 2017. In preparing the Strategic report, the directors have complied with s414c of the Companies Act 2006.

iSoft Group (UK) Limited ("the Company") is a private company, 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), a public listed Company incorporated in the United States of America and listed on the New York Stock Exchange.

The financial statements for the financial period 2 April 2016 to 31 March 2017 are set out on pages 7 to 17. A profit for the financial period of £1,623,000 (FY16: profit of £1,128,000) has been transferred to reserves.

Business review

The Company continues to act as a holding company for those DXC group companies included in note 9.

Key performance indicators

The Company is managed by the UK management team along with other UK DXC entities. The performance and results for all UK 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.

Further details on other business risks and uncertainties can be found in section 1A of the DXC's consolidated financial statements for the financial period ended 31 March 2017 which are available to the public and may be obtained from the Company's website www.dxc.technology.

Approved by the board and signed on its behalf by:



M C Woodfine
Director

01 December 2017

Registered Office:

Royal Pavilion
Wellesley Road
Aldershot
Hampshire
GU11 1PZ

iSoft Group (UK) Limited

Directors' report

The directors present the annual report on the affairs of the Company, together with the audited financial statements and auditor's report for the financial period 2 April 2016 to 31 March 2017.

Principal activity

The Company continues to act as holding company to DXC group companies.

Future developments

On 1 April 2017 Computer Sciences Corporation merged with the Enterprise Services segment of Hewlett Packard Enterprise (HPE) and formed a new company DXC Technology Company.

Dividends

No dividend was declared or paid during the financial period (2016: £nil).

Political contribution

The Company made no political donations during the financial period (2016: £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. Further assurance has been provided by the parent company that it will continue to support the operations going forward. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

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

Financial instruments

The directors have considered the risks attached to the Company's financial instruments which principally comprise investments and amounts due to and from fellow group undertakings. 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.

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.

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 period.

Further details on other business risks and uncertainties can be found in Section 1A of the DXC's consolidated financial statements for the financial period ended 31 March 2017, which are available to the public and may be obtained from www.dxc.technology.

Directors

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

A Fiumicelli	Appointed 12 January 2009	
T A Gough	Appointed 12 April 2017	
N A Wilson	Appointed 10 April 2017	
M C Woodfine	Appointed 16 June 2016	
D W H Gray	Appointed 23 January 2017	Resigned 07 April 2017
G Loria	Appointed 18 July 2016	Resigned 23 January 2017
C A Wilson	Appointed 16 June 2016	Resigned 23 January 2017
S M Adams	Resigned 16 June 2016	

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

Research and development

The Company has not invested any amount in research and development during the financial period (2016: £nil).

iSoft Group (UK) Limited

Directors' report (continued)

Events since the reporting date

On 1 April 2017 Computer Sciences Corporation merged with the Enterprise Services segment of Hewlett Packard Enterprise (HPE) and formed a new company DXC Technology Company.

Employees

Details of the number of employees and related costs can be found in note 6 to the financial statements.

The Company's Equal Opportunities Policy ensures that decisions concerning all aspects of employment, recruitment, reward mechanisms, career progression and training are made exclusively based on merit and the requirements of the role, and that no person is treated less favorably because of age, sex, sexual orientation, marital status, race, nationality, ethnic origin, disability, religious beliefs, or membership or non-membership of a trade union. DXC has an Equal Opportunities Policy and a Diversity Policy.

The Company recognises the importance of providing a safe working environment for all employees and others who may be affected by the Company's activities. A pro-active Safety Management Programme is in place, supported by all levels of management, safety officers, safety champions and the Group H&S Team. All the activities have been assessed to identify significant hazards, which are then controlled and managed. The Safety Programme has been externally verified and approved by Lloyd's Register Quality Assurance to the OHSAS 18001 specification.

The Company's investment in employees is fundamental to a successful workplace and feedback is encouraged. The UK Employee Forum (UKEF) is the Company's chosen forum for informing and consulting with the UK workforce. This Forum enables the Company to properly inform and involve employees in decision making and problem solving increasing collaboration, creativity and innovation through dialogue and exchange of views.

Branches outside the UK

There are no branches outside UK.

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.

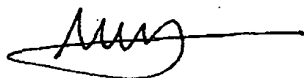
Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor are unaware; and
- the directors have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



M C Woodfine
Director

01 December 2017

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

iSoft Group (UK) Limited

Statement of director's responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Generally Accepted Accounting Standards and applicable law), including Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101).

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 financial period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, have been followed, subject to any material departures disclosed and explained in the financial statements; 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

Independent auditor's report to the members of iSoft Group (UK) Limited

For the financial period 2 April 2016 to 31 March 2017

We have audited the financial statements of iSoft Group (UK) Limited for the financial period from 2 April 2016 to 31 March 2017 which comprise the Income statement, Statement of financial position, the Statement of changes in equity and the related notes 1 to 15. 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), including FRS 101 "Reduced Disclosure Framework".

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of directors' responsibilities, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company affairs as at 31 March 2017 and of the profit of the Company for the financial period from 2 April 2016 to 31 March 2017.
- 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, based on the work undertaken in the course of the audit:

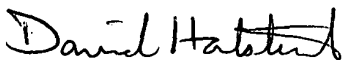
- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 and the Directors' report.

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.



David Halstead FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

St Albans, United Kingdom

1 December 2017

iSoft Group (UK) Limited

Income Statement

For the financial period 2 April 2016 to 31 March 2017

		Financial period 2 April 2016 to 31 March 2017	Financial period 4 April 2015 to 1 April 2016
	Notes	£'000	£'000
Administrative expenses		(62)	(315)
Other operating income		1,743	1,558
Operating profit	5	<u>1,681</u>	<u>1,243</u>
Finance expense	7	(58)	(115)
Profit before taxation		<u>1,623</u>	<u>1,128</u>
Tax charge on profit	8	-	-
Profit for the financial period		<u><u>1,623</u></u>	<u><u>1,128</u></u>

The above results are wholly attributable to continuing activities.

There is no income or loss for the current or previous financial period, other than shown above. Accordingly, no Statement of comprehensive income has been presented.

The notes on pages 10 to 17 form part of these financial statements.

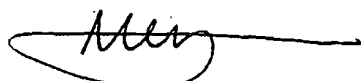
iSoft Group (UK) Limited

Statement of financial position As at 31 March 2017

	Notes	At 31 March 2017 £'000	At 1 April 2016 £'000
Assets			
Non-current assets			
Investments	9	5,975	5,975
Total non-current assets		<u>5,975</u>	<u>5,975</u>
Current assets			
Trade and other receivables	10	60,373	59,026
Cash at bank and in hand		31	26
Total current assets		<u>60,404</u>	<u>59,052</u>
Total assets		<u>66,379</u>	<u>65,027</u>
Liabilities			
Current liabilities			
Trade and other payables	11	(8,686)	(8,957)
Total current liabilities		<u>(8,686)</u>	<u>(8,957)</u>
Net current assets		51,718	50,095
Total assets less current liabilities		57,693	56,070
Non-current liabilities		-	-
Total Liabilities		<u>(8,686)</u>	<u>(8,957)</u>
Net assets		<u>57,693</u>	<u>56,070</u>
Equity			
Share capital	13	-	-
Profit and loss account		57,693	56,070
Total equity		<u>57,693</u>	<u>56,070</u>

The notes on pages 10 to 17 form part of these financial statements.

These financial statements of iSoft Group (UK) Limited (registered number 03716736) were approved by the board of directors and signed on its behalf by:


M C Woodfine
Director
01 December 2017

iSoft Group (UK) Limited**Statement of changes in equity****For the financial period 2 April 2016 to 31 March 2017**

	Note	Share capital £'000	Share-based payments reserve £'000	Profit and loss account £'000	Total £'000
Balance as at 4 April 2015		-	33	54,922	54,955
Profit for the financial period		-	-	1,128	1,128
Share based payment charge		-	(13)	-	(13)
Movement in share based payment		-	(20)	20	-
Balance as at 1 April 2016		-	-	56,070	56,070
Profit for the financial period		-	-	1,623	1,623
Balance as at 31 March 2017		-	-	57,693	57,693

The notes on pages 10 to 17 form part of these financial statements.

iSoft Group (UK) Limited

Notes to the Financial Statements

For the financial period 2 April 2016 to 31 March 2017

1) Basis of accounting and general information

iSoft Group (UK) Limited ("the Company") continues to act as holding company for the entities included in Note 9.

The Company is a private company and is incorporated and domiciled in the United Kingdom. The address of the registered office 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 periods presented, unless otherwise stated.

Basis of preparation

The financial statements of iSoft Group (UK) Limited 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 DXC Technology Company 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 disclosure exemptions from paragraphs 134 to 136 of IAS 1 "Presentation of Financial Statements";
- the disclosure exemptions of IFRS 3 "Business combinations";
- the requirements of IAS 7 "Statement of Cash Flows";
- 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 meets its day-to-day working capital requirements through a combination of intercompany loans from its parent and other group companies as well as uncommitted money market facilities which are due for renewal at various times in the future. Assurance has been given by the ultimate parent company that it will continue to support the operations of the Company for a minimum of twelve months from the date of signing these financial statements.

The directors have a reasonable expectation and the Company 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.

Consolidation

The Company has taken advantage of the exemption under s401 to the Companies Act 2006 from the requirement to produce consolidated financial statements since the Company itself is a wholly owned subsidiary undertaking of DXC Technology Company, a Company registered in the United States of America, which itself prepares consolidated financial statements. The financial statements therefore present information as an individual undertaking and not as a group.

iSoft Group (UK) Limited

Notes to the Financial Statements (continued) For the financial period 2 April 2016 to 31 March 2017

2) Summary of significant accounting policies (continued)

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 Income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the Income statement within 'Other operating income'.

Finance costs

Finance costs of debt, including interest, premiums payable on settlement and direct issue costs are charged to the Income statement in the financial period in which they fall due.

Income from shares

Dividend income is recognised when the right to receive payment is established.

Current and deferred taxation

The tax expense for the financial period comprises current and deferred tax. Tax is recognised in the Income statement, 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 based on the tax laws enacted or substantively enacted at the date of the Statement of financial position in the countries where the Company operates and generates taxable income. Provisions are made where appropriate based on 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 Statement of financial position and are expected to apply when the related deferred income tax asset is realized or 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 way the Company expects, at the end of the reporting period, 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.

Investments

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost, less, where appropriate, allowances for impairment.

Impairment of investments

At each reporting date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Income statement.

iSoft Group (UK) Limited

Notes to the Financial Statements (continued)

For the financial period 2 April 2016 to 31 March 2017

2) Summary of significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of financial position 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, less any appropriate provision for estimated irrecoverable amounts. A provision is made for irrecoverable amounts where there is objective evidence that amounts due will not be collected.

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. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment because of one or more events that occurred after the initial recognition of the asset (a "loss event") and that the loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

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 includes cash in hand, deposits held at call with banks and bank overdrafts. In the Statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Financial liabilities and equity

Financial liabilities and equity instruments are classified per the substance of the contractual arrangements entered.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity, after deducting all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company for goods and services prior to the end of the financial year and are yet to be paid.

Finance costs and debt

Finance costs of debt are recognised in the Income statement 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 period and reduced by repayments made in the financial period.

Retirement benefits

Retirement benefits to employees of the Company are funded by contributions from the Company and employees. The Company operates a defined contribution scheme.

Defined contribution schemes

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligation to make further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior financial periods.

iSoft Group (UK) Limited

Notes to the Financial Statements (continued)

For the financial period 2 April 2016 to 31 March 2017

2) Summary of significant accounting policies (continued)

Retirement benefits (continued)

Defined contribution schemes (continued)

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3) Critical accounting estimates and judgments

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

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

Valuation of investments

The carrying value of investments is re-assessed annually for impairment to ensure investment values are substantiated by their net assets or value in use.

4) Financial Instruments

The Company has no financial assets and liabilities measured and fair value through profit or loss.

5) Operating profit

	Financial period 2 April 2016 31 March 2017 £'000	Financial period 4 April 2015 1 April 2016 £'000
Operating profit is stated after (crediting)/ charging:		
Foreign currency gain	(1,743)	(1,551)
Auditor's remuneration	-	20
	<u> </u>	<u> </u>

The auditors' remuneration is borne by a fellow group undertaking within the DXC group. The allocated fees payable to the Company's auditor for the audit of the Company's annual financial statements is £5,150 (2016: £20,000).

6) Employees and directors

Employees

Employee costs during the financial period (including directors):

	Financial period 2 April 2016 to 31 March 2017 £'000	Financial period 4 April 2015 to 1 April 2016 £'000
Wages and salaries	35	176
Social security costs	15	20
Other pension costs (note 12)	4	8
	<u> 54 </u>	<u> 204 </u>

iSoft Group (UK) Limited

Notes to the Financial Statements (continued) For the financial period 2 April 2016 to 31 March 2017

6) Employees and directors (continued)

The average monthly number of persons (including executive directors) employed by the Company during the financial period was:

	Financial Period 2 April 2016 To 31 March 2017	Financial Period 4 April 2015 To 1 April 2016
Administration	1	2

Directors

Directors' remuneration was borne by other entities with the DXC group. The Directors do not believe that it is practical to apportion these amounts between the company and other entities concerned.

7) Finance expense

	Financial period 2 April 2016 to 31 March 2017	Financial period 4 April 2015 to 1 April 2016
	£'000	£'000
Other finance expense	58	115
	<u>58</u>	<u>115</u>

8) Taxation

Current taxation

	Financial period 2 April 2016 to 31 March 2017	Financial period 4 April 2015 to 1 April 2016
	£'000	£'000
<i>Current tax</i>		
UK corporation tax on profits for the year 20% (2016 – 20%)	-	-
Total current tax credit/(charge)	-	-
<i>Deferred tax</i>		
Total Deferred Tax Charge/(Credit)	-	-
Tax credit on profit	-	-

iSoft Group (UK) Limited

Notes to the Financial Statements (continued) For the financial period 2 April 2016 to 31 March 2017

8) Taxation (continued)

Reconciliation to total current tax charge:

The tax expense for the financial period is lower (2016: lower) than the standard rate of corporation tax in the United Kingdom for the financial period ended 31 March 2017 19% (2016: 20%). The differences are explained below:

	Financial period from 2 April 2016 to 31 March 2017 £'000	Financial period from 4 April 2015 To 1 April 2016 £'000
Profit before taxation	1,623	1,128
Profit multiplied by the standard rate of tax in the United Kingdom of 20% (2016: 20%)	325	226
Effects of:		
Income not subject to tax	-	(4)
Transfer pricing adjustments	144	157
Utilisation of tax losses and other deductions	-	1,039
Adjustment to tax charge in respect of prior periods	(15)	-
Remeasurement of deferred tax on change in tax rate	231	601
Deferred tax not recognised	(685)	(2,019)
Tax charge on profit	-	-

Factors affecting future tax charges

The tax rate for the current period remains unchanged from the prior period of 20%.

Reductions to the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. A further reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

The deferred tax assets and liabilities have been updated to reflect the reduction in the rates.

	Unrecognised 2017 £'000	Unrecognised 2016 £'000
Accelerated capital allowance	225	238
Short term temporary differences	1	-
Losses	4,496	5,168
Undiscounted deferred tax assets	4,722	5,406

Deferred tax assets of £4,721,895 (2016: £5,406,911) have not been recognised as the directors consider there to be insufficient evidence of suitable future taxable income against which to recover them.

iSoft Group (UK) Limited

Notes to the Financial Statements (continued) For the financial period 2 April 2016 to 31 March 2017

9) Investments

	£'000
Cost	
At 1 April 2016	5,975
At 31 March 2017	5,975
Provisions for impairment	
At 1 April 2016	-
At 31 March 2017	-
Net book value at 31 March 2017	5,975
Net book value at 1 April 2016	5,975

Further information on shares held by the Company as at 31 March 2017:

Name	Country of incorporation/ registration	Activity	Proportion of ordinary shares held 2017	Proportion of ordinary shares held 2016
CSC Computer Sciences Limited	England & Wales Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ	Computer Services	0.7	0.7

10) Trade and other receivables: disclosed as current assets

	31 March 2017 £'000	1 April 2016 £'000
Amounts owed by fellow group undertakings	60,342	59,024
Prepayments and accrued income	30	1
Other debtors	1	1
	<u>60,373</u>	<u>59,026</u>

Amounts owed by fellow undertakings within the DXC group are not interest bearing and are repayable on demand.

11) Trade and other payables: disclosed as current liabilities

	31 March 2017 £'000	1 April 2016 £'000
Bank overdraft	-	3,999
Trade creditors	4	-
Amounts owed to fellow group undertakings	8,615	4,797
Accrued expenses	67	161
	<u>8,686</u>	<u>8,957</u>

Amount owed to fellow undertaking within DXC Group are not interest bearing and are repayable on demand.

iSoft Group (UK) Limited

Notes to the Financial Statements (continued)

For the financial period 2 April 2016 to 31 March 2017

12) Retirement benefit obligations

The Company provides retirement benefits to certain employees through a defined contribution pension scheme providing benefits based on final pensionable pay.

The pension charge in the Income statement in respect of the defined contribution pension scheme represents contributions payable by the Company to the scheme and amounts to £4,434 (2016: £7,508). Contributions of £4,065 (2016: £894) were outstanding at the reporting date and are included within current liabilities.

13) Share capital

	At 31 March 2017 £	At 1 April 2016 £
Allotted, issued and fully paid:		
10 (2016: 10) ordinary shares of £0.1 each	<u>1</u>	<u>1</u>

14) Controlling parties

Further to the merger on 1 April 2017 the ultimate parent Company and controlling entity is DXC Technology Company, a Company incorporated in the United States of America. At the reporting date Computer Sciences Corporation was the ultimate parent company and controlling entity. It was the parent undertaking of both the smallest and the largest group which includes the Partnership and for which group financial statements are prepared for the financial period ended 31 March 2017. 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 iSoft Group (UK) Limited is CSC Computer Sciences International Operations Limited, a Company incorporated in the United Kingdom and registered in England and Wales.

15) Events after the end of the reporting period

The previously announced merger of Computer Sciences Corporation and the Enterprise Services business of Hewlett Packard Enterprise completed on 1 April 2017, to form DXC Technology Company, ending a 10-month process to bring Computer Sciences Corporation and HPE Enterprise Services together to focus the combined entity on stabilizing revenue, next-generation talent, and driving digital transformation.