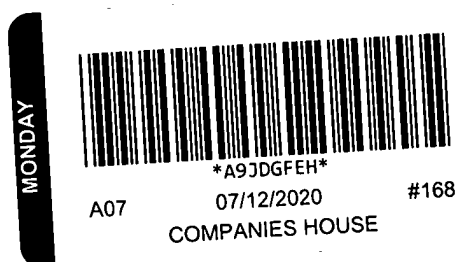


Company Registration No. 03720091

Xchanging Global Insurance Systems Limited

**Annual report and financial statements
for the year ended 31 March 2020**



Xchanging Global Insurance Systems Limited

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Xchanging Global Insurance Systems Limited

Officers and Professional Advisers

Directors

Tina Anne Gough	- Resigned on 07 April 2020
Michael Charles Woodfine	
Maruf Ahmad Majed	- Resigned on 26 February 2020
Steven James Turpie	- Appointed on 04 March 2020
Christopher Neal Halbard	- Appointed on 07 April 2020

Registered Office

Royal Pavilion
Wellesley Road
Aldershot, Hampshire
GU11 1PZ
United Kingdom.

Auditor

Deloitte LLP
Statutory Auditor
1 New Street Square,
London
EC4A 3HQ
United Kingdom.

Xchanging Global Insurance Systems Limited

Strategic report for the year ended 31 March 2020

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

Xchanging Global Insurance Systems 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 (DXC), 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”).

Business review

Xchanging Global Insurance Systems Limited (“the Company”) is a holding Company and does not trade.

The Company recognised a profit of £16,416,125 during the year (2019: Loss of £35,000). The increase in profit is attributable to a dividend of £16,386,125 received from Xchanging International Limited. Net assets increased to £28,126,586 in the current year from £11,710,461 in the previous year. The increase in net assets is attributable to a loan receivable of £16,370,619 from Xchanging UK Limited assigned on liquidation of Xchanging International Limited.

DXC determined that it would develop client and partner relationships to strengthen its position in the marketplace and solidify the long-term growth strategy of the Group’s subsidiaries.

The financial statements for the year ended 31 March 2020 are set out on pages 9 to 19.

Principal risks and uncertainties and financial risk management

The Directors have considered the principal risks attached to the Company’s financial instruments which principally comprise investments and loans to 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 in 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 ruled 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 is 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 continues to monitor the effects of the outbreak globally and the potential impact on the business. The outbreak increases uncertainty about the future prospect of the Company. However, senior leadership in DXC is actively managing the Company’s response through a COVID-19 Response Team that meets daily to deal with all operational issues as and when they arise. 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.

Xchanging Global Insurance Systems Limited

Strategic report for the year ended 31 March 2020 (continued)

Principal risks and uncertainties and financial risk management (continued)

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

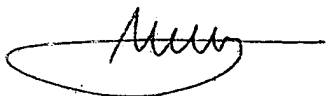
The Company intends to continue to hold investments in its subsidiary companies. At the date of the annual report, the Directors are not aware of any changes in the Company's activities in the foreseeable future.

In relation to COVID-19, management recognises 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, other than those set out above, 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:

A handwritten signature in black ink, appearing to read 'M. Woodfine', is written over a horizontal line that extends to the right.

Michael Charles Woodfine
Director
26 November 2020

Xchanging Global Insurance Systems Limited

Director's report for the year ended 31 March 2020

The Directors present the annual report on the affairs of the Company, together with the audited financial statements for the year ended 31 March 2020.

Principal activity

Xchanging Global Insurance Systems Limited ("the Company") is a holding Company and does not trade.

Future developments

Future developments have been detailed in the Strategic report on page 3 and form part of this report by cross reference.

Events since the reporting date

Details of significant events after the end of the reporting date are contained in note 13 to the financial statements.

Research and development

No research and development costs were incurred during the year (2019: £nil).

Branches outside the UK

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

Financial risk management objectives and policies

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

Dividends

No dividend was declared or paid during the year and up to date of approval of this report (2019: £nil). Dividend of £16,386,125 was received during the year from Xchanging International Limited.

Directors

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

Tina Anne Gough	- Resigned on 07 April 2020.
Michael Charles Woodfine	
Maruf Ahmad Majed	- Resigned on 26 February 2020
Steven James Turpie	- Appointed on 04 March 2020
Christopher Neal Halbard	- Appointed on 07 April 2020

Political contribution

The Company made no political donations during the 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. Assurance has been given by the ultimate Parent Company by way of letter of support 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. 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. As a result, management has a reasonable expectation of the Company's viability over the period of assessment and has 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.

Xchanging Global Insurance Systems Limited

Director's report for the year ended 31 March 2020 (continued)

Auditor

Deloitte LLP have been appointed as auditor for the year ended 31 March 2020 and has indicated their willingness to continue in the office.

Directors' liabilities

The Company has granted indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision was in force during the year and is in force as at the date of approving the Director's report.

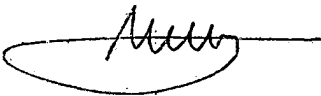
Disclosure of information to auditor

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 auditors are 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:

A handwritten signature in black ink, appearing to read 'M. Woodfine', is written over a horizontal line that forms part of an oval shape.

Michael Charles Woodfine
Director
26 November 2020

Xchanging Global Insurance Systems Limited

Statement of Directors' responsibilities

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;
- 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 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 Xchanging Global Insurance Systems Limited for the year ended 31 March 2020

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Xchanging Global Insurance Systems Limited (the 'Company'):

- give a true and fair view of the state of the Company affairs as at 31 March 2020 and of its profit for the 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 Statement of financial position;
- 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 Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 Xchanging Global Insurance Systems Limited for the year ended 31 March 2020 (continued)

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

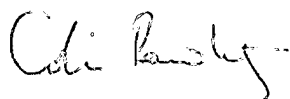
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.



Colin Rawlings, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
26 November 2020

Xchanging Global Insurance Systems Limited

Statement of profit and loss for the year ended 31 March 2020

		2020	2019
	Note	£'000	£'000
Administrative expenses		-	(34)
Write back of accruals		30	-
Operating profit/(loss) before impairment		30	(34)
Impairment of investment		-	(1)
Operating profit/(loss)	5	30	(35)
Dividend income		16,386	-
Profit/(loss) before taxation		16,416	(35)
Taxation	7	-	-
Profit/(loss) for the year		16,416	(35)

The above results are wholly attributable to continuing activities.

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

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

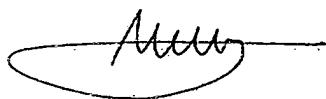
Xchanging Global Insurance Systems Limited

Statement of financial position as at 31 March 2020

		At 31 March 2020	At 31 March 2019
Assets	Note	£'000	£'000
Non-current assets			
Investments	8	18	1
Total non-current assets		18	1
Current assets			
Receivables	9	29,206	12,709
Total current assets		29,206	12,709
Total assets		29,224	12,710
Liabilities			
Current liabilities			
Payables	10	(1,098)	(1,000)
Total current liabilities		(1,098)	(1,000)
Net current assets		28,108	11,709
Total assets less current liabilities		28,126	11,710
Net assets		28,126	11,710
Equity			
Share capital	11	70,515	70,515
Retained loss		(42,389)	(58,805)
Total equity		28,126	11,710

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

These financial statements of Xchanging Global Insurance Systems Limited (registered number: 03720091) on pages 9 to 19 were approved and authorised for issue by the board of Directors on 26 November 2020 and signed on its behalf by:



Michael Charles Woodfine
Director

Xchanging Global Insurance Systems Limited

Statement of changes in equity for the year ended 31 March 2020

	Share capital £'000	Retained loss £'000	Total £'000
Balance as at 1 April 2018	70,515	(58,770)	11,745
Loss for the year and other comprehensive expense	-	(35)	(35)
Total comprehensive expense for the year	-	(35)	(35)
Balance as at 31 March 2019	70,515	(58,805)	11,710
Profit for the year and other comprehensive income	-	16,416	16,416
Total comprehensive income for the year	-	16,416	16,416
Balance as at 31 March 2020	70,515	(42,389)	28,126

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

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020

1) Basis of accounting and general information

Xchanging Global Insurance Systems Limited ("the Company") continues to act as a holding Company for a number of entities within the DXC Group.

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. These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

Basis of preparation

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 ("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 disclosure exemptions from Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment';
- the disclosure exemptions from paragraphs 134 to 136 of IAS 1 "Presentation of Financial Statements";
- the requirements of IAS 7 "Statement of Cash Flows";
- the disclosure exemptions from paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";
- 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".

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 year.

- IFRS 16 – Leases
- IFRIC 23 Uncertainty over Income Tax Treatments
- Annual Improvements to IFRS Standards 2015–2017 Cycle IAS 12 Income Taxes and IAS 23 Borrowing Costs
- Amendments to IFRS 9 Prepayment Features with Negative Compensation

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

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2020 have had a material impact on the Company.

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. Assurance has been given by the ultimate Parent Company by way of letter of support 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.

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

2) Summary of significant accounting policies (continued)

Going concern (continued)

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. As a result, Management has a reasonable expectation of the Company's viability over the period of assessment and has concluded that there are currently no impediments of identifying the Company other than as a going concern.

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.

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, 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. Copies of the Group financial statements of DXC Technology are available from 1775 Tysons Blvd, Tysons, VA 22102, USA, which is the registered office address.

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 'Administrative expenses'.

Income from shares

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

Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

Current taxation

The tax expense for the year comprises of current 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 Statement of financial position 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.

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 Statement of profit and loss.

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.

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

2) Summary of significant accounting policies (continued)

Financial assets

Receivables

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 receivables.

To measure the expected credit losses, receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

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.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

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.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3) Critical accounting judgments and key sources of estimation uncertainty

Certain accounting policies are critical. An accounting policy is critical if, in the Directors' judgment, 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.

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.

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

Key sources of estimation uncertainty

The area for which there is major source of estimation uncertainty at the reporting year end that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets and liabilities is discussed below.

Impairment of investments in subsidiaries

Determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the date of Statement of financial position was £17,506 (2019: £ 1,000) with an impairment loss of £nil recognized during 2020 (2019: £ 1,000).

Directors considered and assessed the impact of COVID-19 and concluded that it is not expected to result in any material impairments.

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

3) Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical judgments in applying the Company's accounting policies

There are no areas for which the judgments are made at the reporting year end that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets and liabilities.

4) Financial instruments

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

5) Operating profit/(loss)

	2020 £'000	2019 £'000
Operating profit/(loss) is stated after (crediting)/charging:		
Audit fees	-	34
Write back of accruals*	(30)	-
	<u></u>	<u></u>

*The audit fee accrual of £34,000 for financial year 2019 is reversed as it is borne by Xchanging UK limited along with audit fee adjustment of £4,000 relating to financial year 2016.

The auditor's remuneration is borne by a fellow Group undertaking within the DXC Technology Group. The allocated fee payable to the Company's auditor for the audit of the Company's financial statements is £20,000 (2019: £34,000).

6) Employees and Directors

Employees

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

Directors

The total amounts paid to the Directors amounts to £1,356,879 which is borne by DXC UK International Limited, EntServ UK Limited and DXC Technology Singapore Pte Limited.

7) Taxation

Current taxation

	2020 £'000	2019 £'000
<i>Current tax</i>		
UK corporation tax on profits for the year 19% (2019: 19 %)	-	-
Adjustment in respect of prior years	-	-
	<u></u>	<u></u>
Total current tax expense	-	-
	<u></u>	<u></u>

The tax expense for the year is higher (2019: higher) than the standard rate of corporation tax in the United Kingdom for the year ended 31 March 2020 of 19% (2019: 19%). The differences are explained below:

	2020 £'000	2019 £'000
Profit/(loss) before taxation	16,416	(35)
	<u></u>	<u></u>
Profit/(loss) multiplied by the standard rate of tax in the UK of 19% (2019:19%)	3,119	(7)
Effects of:		
- Group income	(3,113)	-
- Transfer pricing adjustments	33	34
- Group relief claim	(39)	(27)
	<u></u>	<u></u>
Total tax expense	-	-
	<u></u>	<u></u>

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

7) Taxation (continued)

Current taxation (continued)

Finance Bill 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. 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.

8) Investments

	Total £'000
Cost	
At 1 April 2019	14,978
Additions during the year	17
	<hr/>
At 31 March 2020	14,995
	<hr/>
Provision for impairment	
At 1 April 2019	14,977
Movement during the year	-
	<hr/>
At 31 March 2020	14,977
	<hr/>
Net book value	
At 31 March 2020	18
	<hr/>
At 31 March 2019	1
	<hr/>

The addition of £16,506 relates to investment in Xchanging Asia Pacific SDN BHD. On account of Group restructuring, the entire share holdings of indirect subsidiary Xchanging Asia Pacific SDN BHD has been transferred from Xchanging International Limited on its liquidation.

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

8) Investments (continued)

Further information on shares held by the Company as at 31 March 2020:

Name and Registered office	Country of incorporation and principal place of business	Principal activity	Proportion of ordinary shares held % in 2020	Proportion of ordinary shares held % in 2019
Direct investments held				
Dasure Holdings Limited	United Kingdom Hill House 1 Little new street London EC4A 3TR	In liquidation	100%	100%
Xchanging International Limited	United Kingdom Hill House 1 Little new street London EC4A 3TR	In liquidation	100%	100%
Xchanging Global Insurance Solutions Limited	United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ	Technology	100%	100%
Xchanging Asia Pacific Sdn Bhd	Malaysia Wisma Goshen, 2nd Floor, 60,62 & 64,Jalan SS 22/21 Damansara Jaya Selangor Darul Ehsan	Business process Services	100%	100%

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

Name and Registered office	Country of incorporation and principal place of business	Principal activity	Proportion of ordinary shares held % in 2020	Proportion of ordinary shares held % in 2019
Indirect investment held				
Campion Limited	United Kingdom Cumberland house Greenside lane Bradford BD8 9TF	Technology	100%	100%
Data Integration Limited	United Kingdom Hill House 1 Little new street London EC4A 3TR	In liquidation	100%	100%
Xchanging Global Insurance Services Bermuda Ltd.	Bermuda HP house 21, Laffan street Hamilton, HM 09	In liquidation	100%	100%
Xchanging Malaysia Sdn Bhd	Malaysia 11th Floor Yeoh Tiong Lay Plaza 55 Jalan Bukit Bintang Kuala Lumpur	Business process services	50%	50%

9) Receivables: disclosed as current assets

	At 31 March 2020 £'000	At 31 March 2019 £'000
Loan owed by fellow Group undertakings	16,370	-
Amounts owed by subsidiary undertakings	12,836	12,709
	<u>29,206</u>	<u>12,709</u>

The loan owed by fellow Group undertakings is unsecured, interest free and are repayable on demand. The amount owed by subsidiary undertakings are subject to normal DXC intercompany trading terms of payment due which are unsecured, interest free and are repayable on demand.

10) Payables: disclosed as current liabilities

	At 31 March 2020 £'000	At 31 March 2019 £'000
Other creditors	28	-
Amounts owed to subsidiary undertakings	1	-
Amounts owed to fellow Group undertakings	25	1,000
Group relief payable*	1,044	-
	<u>1,098</u>	<u>1,000</u>

The amounts owed to subsidiary and fellow Group undertakings are subject to normal DXC intercompany trading terms of payment due which are unsecured, interest free and are repayable on demand.

*The prior year comparatives relating to Group relief payable was grouped under amount owed to fellow Group undertakings and it is reclassified in the current year for presentational purpose.

Xchanging Global Insurance Systems Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

11) Share capital	At 31 March 2020 £'000	At 31 March 2019 £'000
Authorised share capital:		
72,740,001 ordinary shares (2019: 72,740,001) at par value of £1 each	72,740	72,740
Allotted, issued and fully paid:		
70,515,461 ordinary shares (2019: 70,515,461) of £1 each	70,515	70,515

12) Controlling parties

The ultimate Parent Company and controlling entity is DXC Technology, 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 are available from 1775 Tysons Blvd, Tysons, VA 22102, USA which is the registered office address.

The immediate Parent Company of Xchanging Global Insurance Systems Limited is Xpanse Limited, a Company incorporated in United Kingdom, and registered at same address as the Company.

13) Events after the end of the reporting year

There were no material or significant events 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.