

Company Registration No. 04387065

Xchanging Solutions (Europe) Limited

Report and Financial Statements

For the financial period from 1 January 2016 to 31 March 2017

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Xchanging Solutions (Europe) Limited

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Xchanging Solutions (Europe) Limited

Officers and professional advisers

Directors

T A Gough	appointed 9 June 2017
N A Wilson	appointed 9 June 2017
M C Woodfine	appointed 23 May 2016
A K Sinha	resigned 23 May 2016
T L Croom	resigned 23 May 2016

Registered Office

The Walbrook Building
25 Walbrook
London
EC4N 8AQ
United Kingdom

Auditor

Deloitte LLP
Statutory Auditors
2 New Street Square
London
EC4A 3BZ
United Kingdom

Principal Legal Adviser

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

Principal Banker

HSBC
8 Canada Square
London
EC2A 2HA
United Kingdom

Xchanging Solutions (Europe) 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.

Xchanging Solutions (Europe) Limited ("the Company") is a private company, limited by shares and registered in England and Wales. The Company's registered and principal address is The Walbrook Building, 25 Walbrook, London, EC4N 8AQ, United Kingdom.

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 1 January 2016 to 31 March 2017 are set out on pages 9 to 17. There is a net profit of £19,104 for the financial period (2015: loss of £ 13,604).

Business review

Xchanging Solutions (Europe) Limited is an operating company. Its country of operation, incorporation and domicile is the United Kingdom. Its parent entity is Xchanging Solutions Limited.

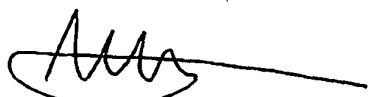
On 5 May 2016, Xchanging group was acquired by DXC Technology Company (DXC) and the ultimate parent company of Xchanging Solutions (Europe) Limited is DXC, a company incorporated in the United States of America and as a consequence the company has changed its year end to 31 March and reports a fifteen month accounting period.

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
09 April 2018

Registered Office:
The Walbrook Building
25 Walbrook
London
EC4N 8AQ
United Kingdom

Xchanging Solutions (Europe) Limited

Director's report

The directors present the report on the affairs of the Company, together with the audited financial statements and auditor's report for the financial period 1 January 2016 to 31 March 2017.

Principal activity

The principal activity of the company during the financial period under review continues to be the provision of IT business solutions, including application development and maintenance services. Its country of operation, incorporation and domicile is the United Kingdom. Its parent entity is Xchanging Solutions Limited.

Future developments

Following the acquisition of Xchanging Plc by Computer Science Corporation (CSC), the year end for all Xchanging entities changed from December 2016 to March 2017, so an extended financial period from January 2016 to March 2017 has been presented.

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 (2015: £nil).

Political contribution

No political donations were made during the financial period (2015: £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. 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, forming part of notes to financial statements.

Financial Instruments

Performance and finance risk management is an integral part of the Company's management processes. Policies designed to identify, manage and limit both existing and possible risks are applied at various management levels. The principal risks and uncertainties of the Company are:

- **Performance risk**

This is the risk identified that the Company will fail to meet its contractual obligations in connection with revenue generating activity, for example, by reference to the quality of work performed, the level of costs compared to forecast or delivery within an agreed timeframe. The Company is engaged on a wide range of contracts; with the successful delivery of all contracts being controlled and managed through the Company's operating structure. In delivering these contracts, rigorous processes have been established to monitor and manage potential risk exposure. These procedures include frequent reviews with a focus on issues affecting delivery and the impact of costs to completion and forecast revenue.

- **Foreign currency risk**

As a global business, the Company faces exposure to adverse movements in foreign currency exchange rates. In the normal course of business, the Company enters into certain contracts denominated in foreign currency. Potential foreign currency exposures arising from these contracts are analysed during the bidding process. The Company generally manages these contracts by incurring costs in the same currency in which the revenue is received, and any related short-term contract financing requirements are met by borrowing in the same currency.

- **Credit risk**

The Company generally has no significant concentrations of client credit risk; although the scale of some of the Company's projects mean that credit exposure to individual clients can at times be significant. It has a wide spread of clients across countries and across the public and private sectors, although a majority of the group's operations are undertaken in the UK on behalf of UK based organisations. Policies are in place to ensure that contracts are only undertaken with clients having an appropriate financial standing and on a basis, that gives rise to a commercially appropriate cash flow profile.

- **Liquidity risk**

The Company manages liquidity risk by maintaining adequate cash resources through a combination of cash flow structuring of contracts. Funds are also made available to the Company from the parent undertaking and it also has access to wider group funds if required.

Xchanging Solutions (Europe) Limited

Director's report (continued)

Directors

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

T A Gough	appointed 9 June 2017
N A Wilson	appointed 9 June 2017
M C Woodfine	appointed 23 May 2016
A K Sinha	resigned 23 May 2016
T L Croom	resigned 23 May 2016

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

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 on the basis of merit and the requirements of the role, and that no person is treated less favourably because of age, sex, sexual orientation, marital status, race, nationality, ethnic origin, disability, religious beliefs, or membership or non-membership of a trade union. CSC 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 of 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 as a whole. 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

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

Xchanging Solutions (Europe) Limited

Statement of directors' responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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.

Xchanging Solutions (Europe) Limited

Director's report (continued)

Auditor

The erstwhile auditor Lipson & Co. has resigned during the financial year 2017 and hence Deloitte LLP has been appointed as an auditor for the period 1 Jan 2016 to 31 March 2017 under the provisions of section 489 of the Companies Act 2006.

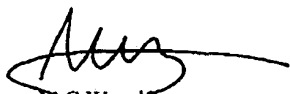
Disclosure of information to auditor

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
09 April 2018

Registered Office:

The Walbrook Building
25 Walbrook
London
EC4N 8AQ
United Kingdom

Independent auditors report to the members of Xchanging Solutions (Europe) Limited

For the financial period 01 January 2016 to 31 March 2017

We have audited the financial statements of Xchanging Solutions (Europe) Limited for the financial period from 1 January 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 13. 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 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 1 January 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.

Independent auditors report for Xchanging Solutions (Europe) Limited

For the financial period 01 January 2016 to 31 March 2017 (continued)

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.

S Butters

Sonya Butters, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

12 April 2018

Xchanging Solutions (Europe) Limited

Income statement

For the financial period 01 January 2016 to 31 March 2017

		Financial period 1 January 2016 to 31 March 2017 £	Financial year 1 January 2015 to 31 December 2015 £
	Notes		
Revenue		-	-
Cost of Sales	6	-	(27,954)
Gross profit /(Loss)		-	(27,954)
Administrative expenses		(3,552)	(6,920)
Other operating income / (expense)	4	22,656	21,017
Profit /(Loss) before taxation		19,104	(13,857)
Tax charge/ (credit) on profit /(loss)	7	-	(253)
Profit/(loss) for the financial period / year		19,104	(13,604)

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 12 to 17 form part of these financial statements.

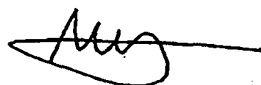
Xchanging Solutions (Europe) Limited

Statement of Financial Position As at 31 March 2017

	Notes	As at 31 March 2017 £	As at 31 December 2015 £
Assets			
Non-current assets			
Intangible assets	8	-	-
Total non-current assets		-	-
Current assets			
Trade and other receivables	9	144,563	314,001
Cash at bank and in hand		325,430	172,888
Total current assets		469,993	486,889
Total assets		469,993	486,889
Liabilities			
Current liabilities			
Trade and other payables	10	33,688	69,688
Total current liabilities		33,688	69,688
Net current assets		436,305	417,201
Total assets less current liabilities		436,305	417,201
Total liabilities		33,688	69,688
Net assets		436,305	417,201
Equity			
Share capital	11	2,664,278	2,664,278
Retained earnings		(2,227,973)	(2,247,077)
Total equity		436,305	417,201

The notes on pages 12 to 17 form part of these financial statements.

These financial statements of Xchanging Solutions (Europe) Limited (registered number 04387065) were approved and authorized for issue by the board of directors on 6 April 2018 and signed on its behalf by:


M C Woodfine
Director

Xchanging Solutions (Europe) Limited

Statement of changes in equity

For the financial period 01 January 2016 to 31 March 2017

	Notes	Share capital £	Retained earnings £	Total £
Balance as at 1 January 2015		2,664,278	(2,233,473)	430,805
Loss for the financial year		-	(13,604)	(13,604)
Balance as at 1 January 2016		2,664,278	(2,247,077)	417,201
Profit for the financial period		-	19,104	19,104
Balance as at 31 March 2017		2,664,278	(2,227,973)	436,305

The notes on pages 12 to 17 form part of these financial statements.

Xchanging Solutions (Europe) Limited

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017

1) Basis of accounting and general information

Xchanging Solutions (Europe) Limited ("the Company") provides IT business solutions, including application development and maintenance services. Its parent entity is Xchanging Solutions Limited.

The Company is a private company and is incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of the registered office is The Walbrook Building, 25 Walbrook, London, EC4N 8AQ, United Kingdom.

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 Xchanging Solutions (Europe) 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.

- 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, provide that any subsidiary which is party to the transactions is wholly owned by such a member; and

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 directors have a reasonable expectation that the wider DXC Group 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.

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'.

Current and deferred taxation

The tax expense for the 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 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.

Xchanging Solutions (Europe) Limited

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017(continued)

2) Summary of significant accounting policies (continued)

Current and deferred taxation (continued)

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 balance sheet 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 realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. 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 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.

Intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses represents the excess of fair value of the consideration paid over the aggregate fair value of the identifiable assets and liabilities acquired. Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate impairment may be required. It is carried at cost less accumulated impairment losses. Impairment losses on goodwill are recognised in the Income statement.

Impairment of intangible assets

The carrying value of the intangible asset is reviewed for impairment at the end of the first full year following acquisition and in other periods if event or changes in circumstances indicate that the carrying value may not be recoverable.

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.

Amounts recoverable on contracts, which are included in current assets are stated at anticipated net sales value of work performed, less amounts received as progress payments on account and after provision for anticipated future contract losses.

Excess progress payments are included under current liabilities. Contract provisions in excess of amounts recoverable are included in provisions for liabilities.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts.

Financial liabilities and equity

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

Equity instruments

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

Xchanging Solutions (Europe) Limited

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017(continued)

2) Summary of significant accounting policies (continued)

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.

Retirement benefits

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

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.

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 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 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 periods.

4) Other operating income

	Financial period 1 January 2016 to 31 March 2017 £	Financial year 1 January 2015 to 31 December 2015 £
Write off of old Advance from Customer	2,353	-
Reversal of provision for employee compensation	8,726	-
Intercompany cost recovery	11,577	21,017
	<u>22,656</u>	<u>21,017</u>

Xchanging Solutions (Europe) Limited

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017(continued)

5) Operating profit

	Financial period 1 January 2016 to 31 March 2017 £	Financial year 1 January 2015 to 31 December 2015 £
Operating Profit / (loss) is stated after charging:		
Auditors remuneration	7,500	6,000

6) Employees and directors

Employees

	Financial period 1 January 2016 to 31 March 2017 £	Financial year 1 January 2015 to 31 December 2015 £
Wages and Salaries	-	27,954

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

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

	Financial period 1 January 2016 to 31 March 2017 No	Financial year 1 January 2015 to 31 December 2015 No
Managerial and professional	-	5
Sales and operations staff	2	13

7) Current taxation

	Financial period 1 January 2016 to 31 March 2017 £	Financial year 1 January 2015 to 31 December 2015 £
<i>Current tax</i>		
UK corporation tax on profit/ (loss) for the year	-	(253)
Adjustment in respect of prior financial periods	-	-
Total current tax credit/(charge)	-	(253)
<i>Deferred tax</i>		
Adjustment to tax charge in respect of the prior years	-	-
Origination and reversal of timing differences	-	-
Impact of change in tax rate	-	-
Total deferred tax benefit	-	-
Tax on profit / (loss)	-	(253)

Xchanging Solutions (Europe) Limited

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017(continued)

7) Current taxation (continued)

The tax expense for the period is lower (2015: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2017 of 20% (2015: 20.25%). The differences are explained below:

	Financial period 1 January 2016 to 31 March 2017	Financial year 1 January 2015 to 31 December 2015
	£	£
Profit/(loss) on ordinary activities before taxation	19,104	(13,857)
Profit/(loss) multiplied by the standard rate of tax in the UK of 20% (2015: 20.25%)	3,821	(2,806)
Effects of:		
Expenses not deductible for tax purposes	828	-
Capital allowances for period in excess of depreciation	-	(427)
Adjustment to tax charge in respect of prior periods	-	(253)
Group relief (claim) / surrender	-	3,233
Remeasurement of deferred tax - change in UK tax rate	1,468	-
Deferred tax recognised	(6,117)	-
Total tax charge / (credit)	-	(253)

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.

8) Intangible assets

	Goodwill £
Cost:	
At 1 January 2016	99,568
Write down	-
Additions	-
At 31 March 2017	99,568
Accumulated impairment:	
At 1 January 2016	99,568
Write down	-
Charge for the period	-
At 31 March 2017	99,568
Net book value:	
At 31 March 2017	-
At 1 January 2016	-

Xchanging Solutions (Europe) Limited

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017(continued)

9) Trade and other receivables: disclosed as current assets

	Financial period 1 January 2016 to 31 March 2017	Financial year 1 January 2015 to 31 December 2015
	£	£
Amounts owed by fellow group undertakings	138,767	311,577
Other receivables	-	2,424
Other taxes and social security costs	5,796	-
	<u>144,563</u>	<u>314,001</u>

Amounts owed by group undertaking are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10) Trade and other payables: disclosed as current liabilities

	Financial period 1 January 2016 to 31 March 2017	Financial year 1 January 2015 to 31 December 2015
	£	£
Other taxes and social security costs	-	31,285
Accruals and deferred income	28,982	32,410
Other creditors	4,706	5,993
	<u>33,688</u>	<u>69,688</u>

11) Share capital

	At 31 March 2017	At 31 December 2015
	£	£
Authorized, allotted, issued and fully paid:		
2,664,278 (2015: 2,664,278) ordinary shares of £ 1 each	<u>2,664,278</u>	<u>2,664,278</u>

12) 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 Xchanging solutions (Europe) Limited is Xchanging Solutions Limited, a company incorporated in India.

13) 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.