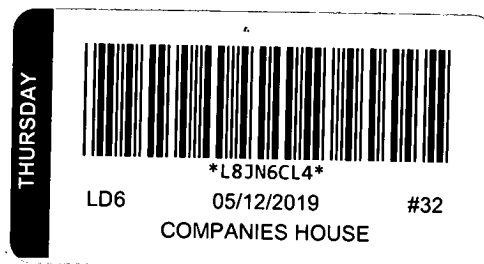


Company Registration No. 05460327

XS (Inf) Limited

Annual report and financial statements
For the financial year from 1 April 2018 to 31 March 2019



XS (Int) Limited

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XS (Int) Limited

Officers and Professional Advisers

Directors

T A Gough
M A Majed
M C Woodfine

Registered office

Royal Pavilion
Wellesley Road
Aldershot
Hampshire
United Kingdom
GU11 1PZ

Principal bankers

Lloyds Bank PLC
PO Box 72
Bailey Drive
Gillingham Business Park
Gillingham
Kent
ME8 0LS

Principal legal adviser

Vistra Corporate Law Limited
First floor
10, Temple Back
Bristol
BS1 6FL

Auditor

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

XS (Int) Limited

Strategic Report

The directors present their Strategic report on the Company for the financial year ended 31 March 2019. In preparing the Strategic report, the directors have complied with s414c of the Companies Act 2006.

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

The Company is an indirect subsidiary of DXC Technology Company (DXC), 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 year 1 April 2018 to 31 March 2019 are set out on pages 9 to 18. A profit for the financial year of £290,000 (2018: loss: £34,000) has been transferred to reserves.

Business review

The Company was dormant until it acquired 40% of the ordinary shares in eBees Limited on 31 October 2016, a private company registered in England and Wales.

Further to its investment, the Company has entered into a Strategic Alliance Agreement ("the agreement") with eBees Limited where the parties will co-operate as partners to identify, develop and pursue new business opportunities and secure new business activity for either and/or each partner. In exchange for rights conferred in the agreement, the Company will receive royalty payments.

On 8th August 2018, DXC Technology Company group acquired the remaining 60% of eBECS Ltd so now holds 100%, through CSC Computer Sciences International Operations Limited (60%) and XS (Int) Ltd (40%).

On 19 December 2018, 40% share held by the Company in eBECS Limited was transferred to CSC Computer Sciences International Operations Limited at a consideration of £13,429,000. As at 31 March 2019, 100% of shares in eBECS Ltd are held by CSC Computer Sciences International Operations Limited. Further details can be found in note 9 to the financial statements.

Risk management, objectives and policies

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

On 23rd June 2016, a referendum in the United Kingdom returned a result in favour of leaving the European Union. Whilst the longer term political and economic effects of these events are yet unclear, 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. DXC has been actively planning for various Brexit scenarios 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.

While a new Brexit deadline of January 31, 2020 has been set, the UK government is working towards an exit with a deal before that date. The situation is being actively monitored 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 final date and shape of Brexit is determined.

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 2019, which are available to the public and may be obtained from the Company's website www.dxc.technology.

Future developments

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

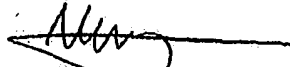
XS (Int) Limited

Strategic Report (continued)

Key performance indicators

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

Approved by the board and signed on its behalf by:



M C Woodfine
Director
29/11/2019

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

XS (Int) Limited

Directors' Report

The directors present their annual report on the affairs of the Company, together with the audited financial statements for the financial year 1 April 2018 to 31 March 2019.

Principal activity

The Company's primary income is royalty. Royalty income is based on the Capital Affiliation Value which shall be used to calculate the royalties payable by eBECS Limited in the form of basic royalty payments and performance royalty payments.

Future developments

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

Events since the reporting date

Details of significant events since the balance sheet date are contained in note 15 to the financial statements.

Research and development

No research and development costs were incurred during the financial year (2018: £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 Company's risk management 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 financial year and up to date of approval of this report (2018: £nil).

Directors

The following were directors of the Company during the financial year and up to the date of this report:

T A Gough

M A Majed

M C Woodfine

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

Political contribution

No political donations were made during the financial year (2018: £nil).

Going concern

The Company is profit making and reports net assets, thus the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Confirmation has been provided by the parent Company that it will continue to support the operations going forward for at least 12 months. 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.

Auditor

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

XS (Int) Limited

Directors' Report (continued)

Disclosure of information to auditor

Each of the person 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 is unaware; and
- the directors have 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 auditor is aware of that information.

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

Approved by the board and signed on its behalf by:



M.C. Woodfine

Director.

29/11/2019

Registered office:
Royal Pavilion
Wellesley Road
Aldershot
Hampshire
United Kingdom
GU11 1PZ

XS (Int) Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

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

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

Independent Auditor's report of XS (Int) Limited

For the financial year 1 April 2018 to 31 March 2019

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of XS (Int) Limited (the 'Company'):

- *give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year then ended;*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including 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 15.*

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".

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 of XS (Int) Limited (continued)

For the financial year 1 April 2018 to 31 March 2019

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

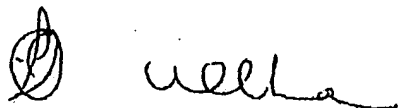
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Welham FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom
2 December 2019

XS (Int) Limited

Statement of profit and loss
For the financial year 1 April 2018 to 31 March 2019

		Financial year 1 April 2018 to 31 March 2019	Financial year 1 April 2017 to 31 March 2018
	Notes	£'000	£'000
Revenue	4	703	524
Operating profit		703	524
Finance income	7	2	-
Finance expense	7	(415)	(558)
Profit/(loss) before taxation	5	290	(34)
Tax charge on profit/(loss)	8	-	-
Profit/(loss) for the financial year		290	(34)

The above results are wholly attributable to continuing activities.

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

The notes on pages 12 to 18 form part of these financial statements.

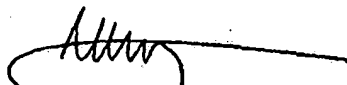
XS (Int) Limited

**Statement of financial position
As at 31 March 2019**

		At 31 March 2019	At 31 March 2018
	Note	£'000	£'000
Assets			
Non-current assets			
Investments	9	-	9,761
Total non-current assets		-	9,761
Current assets			
Trade and other receivables	10	14,468	336
Cash at bank and in hand		492	490
Total current assets		14,960	826
Total assets		14,960	10,587
Liabilities			
Current liabilities			
Trade and other payables	11	188	188
Total current liabilities		188	188
Net current assets		14,772	638
Total assets less current liabilities		14,772	10,399
Non-current liabilities			
Trade and other payables	12	10,659	10,244
Total non-current liabilities		10,659	10,244
Total liabilities		10,847	10,432
Net assets		4,113	155
Equity			
Share capital	13	-	-
Profit and loss account		445	155
Other reserves		3,668	-
Total equity		4,113	155

The notes on pages 12 to 18 form part of these financial statements.

These financial statements of XS (Int) Limited (registered number: 05460327) on pages 9 to 18 were approved and authorised for issue by the board of directors on 29/11/2019 and signed on its behalf by:


M C Woodfine
Director

XS (Int) Limited

**Statement of changes in equity
For the financial year 1 April 2018 to 31 March 2019**

	Share Capital	Profit and loss Account	Other Reserves	Total
	£'000	£'000	£'000	£'000
Balance as at 1 April 2017	-	189	-	189
Loss for the financial year	-	(34)	-	(34)
Total comprehensive income for the financial year	-	(34)	-	(34)
Balance as at 1 April 2018	-	155	-	155
Profit for the financial year	-	290	-	290
Total Comprehensive Income for the financial year	-	290	-	290
Gain on disposal of entity under common control	-	-	3,668	3,668
Balance as at 31 March 2019	-	445	3,668	4,113

The notes on pages 12 to 18 form part of these financial statements:

Profit and loss account reserve represents accumulated retained earnings.

Other reserves represent gain on disposal of entity under common control. Further details can be found in note 9.

XS (Int) Limited

Notes to the financial statements

For the financial year 1 April 2018 to 31 March 2019

1) Basis of accounting and general information

XS (Int) Limited ("the Company") primary income is royalty. Royalty income is based on the Capital Affiliation Value which shall be used to calculate the royalties payable by cBECS Limited in the form of basic royalty payments and performance royalty payments.

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

2) Summary of significant accounting policies

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

Basis of preparation

The financial statements of XS (Int) 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 paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the disclosure exemptions from paragraphs 134 to 136 of IAS 1 "Presentation of Financial Statements";
- the disclosure exemptions from paragraphs 10 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";
- the disclosure exemptions of IFRS 3 "Business combinations";
- the requirements of IAS 7 "Statement of Cash Flows";
- the requirements of paragraph 17 and 18A of IAS 24 "Related Party Disclosures";
- the requirements of IAS 24 "Related Party Disclosures" 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. 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, 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.

XS (Int) Limited

Notes to the financial statements (continued) For the financial year 1 April 2018 to 31 March 2019

2) Summary of significant accounting policies (continued)

New standards, amendments and IFRIC Interpretations

In the current year, the Company has applied IFRS 15, Revenue from Contract with Customers (as amended in April 2016) and IFRS 9, Financial Instruments which are effective for an annual period that begins on or after 1 January 2018.

The Company's policy for revenue recognition is included in the revenue recognition section of this note.

The adoption of these standards does not have any material impact on the financial statements of the Company which needs to be disclosed.

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2019 have had a material impact on the Company.

Revenue recognition

Revenue represents royalty income net of sales related taxes. The Company recognises income on an accrual basis in accordance with the substance of relevant agreements.

Finance costs

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

Current and deferred taxation

The tax expense for the financial year comprises current and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, 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.

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

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

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

XS (Int) Limited

Notes to the financial statements (continued)

For the financial year 1 April 2018 to 31 March 2019

2) Summary of significant accounting policies (continued)

Investments

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

Gains arising on the disposal of investments in entities under common control are recognised in other reserves and represents the excess of consideration received over the net book value of investments at the time of disposal.

Financial assets

Trade and other receivables

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

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates.

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

Impairment of financial assets

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

Derecognition of a financial asset

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

Cash and cash equivalents

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

Financial liabilities and equity

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

Trade and other payables

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 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.

XS (Int) Limited

Notes to the financial statements (continued)

For the financial year 1 April 2018 to 31 March 2019

3) Critical accounting judgements and key sources of estimation uncertainty

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 year in which the estimate is revised if the revision affects only that financial year or in the financial year of the revision and future years if the revision affects both current and future financial years.

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

Key sources of estimation uncertainty

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

4) Revenue

Revenue comprises of royalty income. All revenue originates in, and has an ultimate destination of, the United Kingdom.

5) Operating profit

The auditors' remuneration is borne by a fellow group undertaking within the DXC Technology Company group. The allocated fees payable to the Company's auditor for the audit of the Company's annual financial statements is £21,000 (2018: £20,000).

6) Employees and directors

Employees

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

Directors

Total remuneration borne by other entities

The total amounts paid to the directors amounts to £1,401,332 which is borne by CSC Computer Sciences International Limited, BntSery UK Limited and DXC Technology Singapore Pte. Limited.

Highest paid director

The highest paid director was paid through DXC Technology Singapore Pte. Limited. As noted above, it is not possible to apportion their payment between the Company and other entities for which they provide services.

7) Finance income and finance expense

Finance income

	Financial year 1 April 2018 to 31 March 2019	Financial year 1 April 2017 to 31 March 2018
	£'000	£'000
Bank interest income	2	-
	<u>2</u>	<u>-</u>

XS (Int) Limited

Notes to the financial statements (continued) **For the financial year 1 April 2018 to 31 March 2019**

7) Finance income and finance expense (continued)

Finance expense

	Financial year 1 April 2018 to 31 March 2019	Financial year 1 April 2017 to 31 March 2018
	£'000	£'000
Interest payable on loans from fellow group companies (note 12)	415	558
	<u>415</u>	<u>558</u>

8) Taxation

	Financial year 1 April 2018 to 31 March 2019	Financial year 1 April 2017 to 31 March 2018
	£'000	£'000
Total current tax	-	-
Total deferred tax	-	-
Tax on profit / loss	<u>-</u>	<u>-</u>

The tax expense for the financial year is lower (2018: higher) than the standard rate of corporation tax in the United Kingdom for the financial year ended 31 March 2019 of 19% (2018: 19%). The differences are explained below:

	Financial year 1 April 2018 to 31 March 2019	Financial year 1 April 2017 to 31 March 2018
	£'000	£'000
Profit/(loss) before taxation	290	(34)
Profit/(loss) multiplied by the standard rate of tax in the United Kingdom of 19% (2018: 19 %)	55	(6)
Effects of:		
- Transfer pricing adjustment	(28)	-
- Group relief surrendered	(27)	6
Total tax charge	<u>-</u>	<u>-</u>

Factors affecting future tax figures:

The tax rate for the current year is the same as the prior year.

A reduction in the UK Corporation tax from 19% to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015. A further reduction in the UK Corporation tax to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

XS (Inf) Limited

Notes to the financial statements (continued)

For the financial year 1 April 2018 to 31 March 2019

9) Investments in associates

	£'000
Cost	
At 1 April 2018	9,761
Disposal	(9,761)
	<u> </u>
At 31 March 2019	<u> </u>

On 19 December 2018, 40% share held by the Company in eBECs Limited was transferred to CSC Computer Sciences International Operation Limited at a consideration of £13,429,000 and the same was received on 8 May 2019. This disposal was part of DXC's group reorganisation. The Company, eBECs Limited and CSC Computer Sciences International Operations Limited are under common control of DXC Technology Company as the ultimate parent entity. Therefore, this is a disposal of an entity under common control and the gain on the disposal is recognised in other reserves.

Further information on shares held by the Company as at 31 March 2019:

Name and Registered office	Country of incorporation and principal place of business	Principal activity	Proportion of ordinary shares held % in 2019	Proportion of ordinary shares held % in 2018
Direct investments held				
eBECs Limited	United Kingdom	Information Technology services	-	40%
Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ				

10) Trade and other receivables: disclosed as current assets

	31 March 2019 £'000	31 March 2018 £'000
Amount owed by a fellow group undertaking	1,039	336
Amounts owed by parent undertaking	13,429	-
	<u>14,468</u>	<u>336</u>

Amount owed by a fellow group undertaking represents royalty income due from eBECs Limited which are unsecured, repayable on demand and interest free.

Amounts owed by parent undertaking relates to the balance receivable from CSC Computer Sciences International Operations Limited in relation to the transfer of 40% share held by the Company in eBECs Limited at a consideration of £13,429,000 per the Share Purchase Agreement dated 23 November 2018 and the same was received on 8 May 2019.

11) Trade and other payables: disclosed as current liabilities

	31 March 2019 £'000	31 March 2018 £'000
Amounts owed to other fellow group undertaking	188	132
Taxation and social security	-	56
	<u>188</u>	<u>188</u>

Amounts owed to fellow group undertaking are unsecured, repayable on demand and interest free.

XS (Int) Limited

Notes to the financial statements (continued) For the financial year 1 April 2018 to 31 March 2019

12) Trade and other payables: disclosed as non-current liabilities

	31 March 2019 £'000	31 March 2018 £'000
Amount owed to parent undertaking	10,659	10,244
	<u>10,659</u>	<u>10,244</u>

Amounts owed to parent undertaking relates to the loan of £9,760,834 by CSC Computer Sciences International Operations Limited and accrued interest of 4.25% amounting to £898,114. The loan agreement stipulates the loan should be repaid on 1 November 2021 and allows early repayment subject to a minimum principal repayment of £100,000 with prior notice to the lender. The loan was settled to the parent undertaking along with interest on 8 May 2019.

13) Share capital

	31 March 2019 £	31 March 2018 £
Authorised, allotted, issued and fully paid: 1 (2018: 1) Ordinary shares of £1 each	1	1

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

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

14) Controlling parties

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

The immediate parent company of XS (Int) Limited is CSC Computer Sciences International Operations Limited, a Company incorporated in Great Britain and registered in England and Wales with its registered office situated in Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ.

15) Events after the end of the reporting year

The Company repaid the loan taken from CSC Computer Sciences International Operations Limited, its parent company, of £9,760,834 with interest accrued thereon at 4.25% on 8 May 2019.

The Company has received the consideration for the disposal of shares held in eBECS Limited to CSC Computer Sciences International Operations Limited of £13,429,000 on 8 May 2019.