

Company Registration No. 06382952

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Report and Financial Statements

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

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XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities	5
Independent auditor's report	6
Income statement	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Officers and Professional Advisers

Directors

T Gough	appointed	9 June 2017
N Wilson	appointed	9 June 2017
M Woodfine	appointed	23 May 2016
C Baker	resigned	23 May 2016
J Priggen	resigned	19 July 2016

Registered Office

The Walbrook Building
25 Walbrook
London
EC4N 8AQ
United Kingdom

Independent Auditor

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

Principal Banker

HSBC
8 Canada Square
London
E14 5HQ
United Kingdom

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) 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 Software Europe (Regional Hub) 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 period 1 January 2016 to 31 March 2017 are set out on pages 8 to 19. A loss for the period of £ 520,000 (2015: profit of £ 9,000) has been transferred to reserves.

Business review

Xchanging Software Europe (Regional Hub) Limited is a non-trading company. Its country of operation, incorporation and domicile is the United Kingdom. During September 2015, all the employees were transferred to Xchanging Global Insurance Solutions Limited. The immediate parent entity of Xchanging Software Europe (Regional Hub) is Xchanging Holdings Limited.

The results of the company show a loss for the financial period of £520,000 (2015: profit of £9,000) and revenue of £nil (2015: £2,896,000). Net assets at the end of the financial period 31 March 2017 were £177,000 (2015: £697,000) and net current assets of £161,000 (2015: net current assets £653,000).

Events after the balance sheet date

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 period from January 2016 to March 2017 have 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.

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 1 April 2016 which are available to the public and may be obtained from the Company's website www.dxc.technology.com.

Approved by the board and signed on its behalf by:



Tina Gough
Director

12 April 2018

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

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) 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 period 1 January 2016 to 31 March 2017.

Principal activity

The principal activity of the company was that of the supply of computer consultancy and project management services for group companies. During September 2015, all the employees were transferred to Xchanging Global Insurance Solutions Limited, and the company ceases trading activities.

Future Development

The company is no longer trading and the directors currently have no intention to for the company to trade in the foreseeable future.

Dividends

No dividend was declared or paid during the period (2015: £nil).

Political contribution

No political donations were made during the period (2015: £nil).

Going concern

Following the transfer of trade and assets of the company to Xchanging Global Insurance Solutions Limited in September 2015, a fellow subsidiary within the Group, the company has ceased to trade. As required by the accounting standards, the directors have prepared the financial statements on a basis other than going concern. The company is no longer trading and the directors currently have no intention to for the company to trade in the foreseeable future.

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

Financial instruments

The directors have considered the risks attached to the Company's financial instruments which principally comprise of trade receivables and trade payables. 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.

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

Directors

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

T Gough	appointed	9 June 2017
N Wilson	appointed	9 June 2017
M Woodfine	appointed	23 May 2016
C Baker	resigned	23 May 2016
J Priggen	resigned	19 July 2016

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

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Director's report (continued)

Research and development

The Company did not incur any research and development expense during the financial period (2015: £ nil).

Branches outside the UK

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

Auditor

The erstwhile auditors PwC have resigned during the financial year 2017 and hence Deloitte LLP has been appointed as an auditor for the period 1 January 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:

1. so far as the directors are aware, there is no relevant audit information of which the Company's auditor are unaware; and
2. 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:



Tina Gough.
Director

12 April 2018

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

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Statement of directors' responsibilities

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

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

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that 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.

**Independent Auditors report for Xchanging Software Europe (Regional Hub) Limited
For the Financial period 01 January 2016 to 31 March 2017**

We have audited the financial statements of Xchanging Software Europe (Regional Hub) Limited for the 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 16. 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Basis for qualified opinion on financial statements

Following the acquisition of the company by CSC, the audit evidence available to us with respect to income statement was limited because sufficient accounting records and documentation relating to the period prior to the change in ownership were not available due to changes to processes and staff following the acquisition. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence concerning the income statement transactions.

Opinion on financial statements

In our opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the Company affairs as at 31 March 2017 and of the loss 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; a
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 2 to the financial statements, which explains that the financial statements have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

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 Software Europe (Regional Hub) Limited
For the Financial period 01 January 2016 to 31 March 2017 (continued)**

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to income statement transactions, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been kept.

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:

- 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.



Sonya Butters FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
~~March 2018~~

12 April 2018

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Income statement

For the financial period 01 January 2016 to 31 March 2017

	Notes	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Revenue	4	-	2,896
Cost of Sales		-	(2,519)
Gross profit		-	377
Administrative Expenses		(455)	(344)
Exceptional costs	6	-	(15)
Operating (loss)/profit	5	(455)	18
(Loss)/profit before taxation		(455)	18
Tax expense	8	(65)	(9)
(Loss)/profit for the financial period/year		<u>(520)</u>	<u>9</u>

The above results are wholly attributable to discontinuing 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 11 to 19 form part of these financial statements.

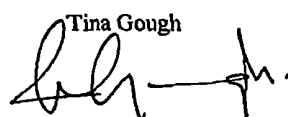
XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Statement of financial position As at 31 March 2017

	Notes	At 31 March 2017 £'000	At 31 December 2015 £'000
Assets			
Non-current assets			
Property, plant and equipment	9	16	44
Total non-current assets		<u>16</u>	<u>44</u>
Current assets			
Trade and other receivables	10	454	1,191
Cash at bank and in hand		17	41
Total current assets		<u>471</u>	<u>1,232</u>
Total assets		<u>487</u>	<u>1,276</u>
Liabilities			
Current liabilities			
Trade and other payables	11	(310)	(579)
Total current liabilities		<u>(310)</u>	<u>(579)</u>
Net current assets		<u>161</u>	<u>653</u>
Net assets		<u>177</u>	<u>697</u>
Equity			
Share capital	12	-	-
Retained earnings		177	697
Total equity		<u>177</u>	<u>697</u>

The notes on pages 11 to 19 form part of these financial statements.

These financial statements of Xchanging Software Europe (Regional Hub) Limited (registered number 06382952) were approved and authorized for issue by the board of directors on 12 April 2018 and signed on its behalf by:

Tina Gough


Director

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Statement of changes in equity **For the financial period 01 January 2016 to 31 March 2017**

	Share capital	Retained earnings	Total
	£'000	£'000	£'000
Balance as at 1 January 2015	-	688	688
Profit for the financial year	-	9	9
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	9	9
Balance as at 1 January 2016	-	697	697
Loss for the financial period	-	(520)	(520)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the financial period	-	(520)	(520)
Balance as at 31 March 2017	-	177	177

The notes on pages 11 to 19 form part of these financial statements.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) 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 Software Europe (Regional Hub) Limited's ("the Company") principal activity was that of research and development, the supply of computer consultancy and project management services for group companies. Its country of operation, incorporation and domicile is the United Kingdom. During September 2015, all the employees were transferred to Xchanging Global Insurance Solutions Limited, and the company ceases trading activities.

The Company is a private company and is incorporated and domiciled in the United Kingdom. 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 Software Europe (Regional Hub) Limited have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

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

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

- the disclosure exemptions from IFRS 7 "Financial Instruments: Disclosures";
- the disclosure exemptions from IFRS 13 "Fair Value Measurement" to the extent that they apply to financial instruments;
- the disclosure exemptions from paragraphs 134 to 136 of IAS 1 "Presentation of Financial Statements";
- the disclosure exemptions of IFRS 3 "Business combinations";
- the requirements of IAS 7 "Statement of Cash Flows";
- the disclosure exemptions from paragraphs 10 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".

Going concern

Following the transfer of trade and assets of the company to Xchanging Global Insurance Solutions Limited in September 2015, a fellow subsidiary within the Group, the company has ceased to trade. As required by the accounting standards, the directors have prepared the financial statements on a basis other than going concern. The company is no longer trading and the directors currently have no intention to for the company to trade in the foreseeable future.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements

For the financial period 01 January 2016 to 31 March 2017

2) Summary of significant accounting policies (continued)

Revenue recognition

Revenue comprises sales of services provided in the normal course of business. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The principal activity was that of research and development and the supply of computer consultancy and project management services of group companies.

Revenue in respect of the rental or maintenance of computer software programs, hosting and other services is recognised on a straight-line basis over the contract period. Billings are included in trade debtors in accordance with the terms of the relevant rental or maintenance contract. To the extent that billings are recorded in advance of the relevant turnover, such advance billings are included in deferred income. Income arising from the sale of a perpetual license, including both the initial license fee and implementation income is recognised over the period of implementation of the software. Income from subsequent licenses, where no implementation is required, is recognised on execution of the contract.

Operating loss

Operating loss is arrived at after expensing administrative expense.

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 expense 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 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 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 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.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

2) Summary of significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and any provision for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost amount to their residual values over their estimated useful lives, as follows:

Furniture and fittings	25%
Leasehold Improvements	life of lease
Computer and related equipment	33%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income statement.

Cash and cash equivalents

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

Leases

Leases in which substantially all of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the liability) are charged to the Income statement on a straight-line basis over the period of the lease.

The Company leases certain property, plant and equipment. Leases of property, plant and equipment, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the leases commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

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.

Financial liabilities and equity

Financial liabilities 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.

Adoption of new and revised Standards

New and amended accounting standards that are mandatorily effective for periods beginning on or after 1 January 2016 did not have a material effect on the financial statements.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

3) Critical accounting estimates and judgements

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

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

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

4) Revenue

	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Analysis of revenue by category		
Services	-	2,896

During 2015, all revenue was generated in the United Kingdom. During financial period 2017 the company ceased trading and become non-trading entity.

5) Operating (loss)/profit

	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Operating (loss)/profit is stated after expensing/(crediting):		
Depreciation of owned assets	28	33
Operating lease expenses	189	131
Audit fees payable to the company auditor	4	4

6) Exceptional Items

	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Exceptional Income/ (costs)	-	(15)

During the financial year ended 31 December 2015 the company incurred severance costs of £15,000 as part of restructuring programme. There has been no expenditure for the financial period ended 31 March 2017.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

7) Employees and directors

	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Wages and Salaries	-	2,193
Social Security costs	-	319
	<u>-</u>	<u>2,512</u>
The average monthly number of persons (including executive directors) employed by the Company during the financial period was:		
Production staff	-	73
Management staff	-	1
	<u>-</u>	<u>74</u>

There were no employees of the Company during the current financial period. During September 2015 all the employees were moved to Xchanging Global Insurance Solutions Limited.

Directors

Director's remuneration was borne by other entities within the DXC Technology group which makes no recharge to the company. The directors do not believe that it is practical to apportion these amounts between the Company and the other entities concerned. Accordingly, the above details include no emoluments in respect of the Directors. Their total emoluments are included in the aggregate directors' emoluments disclosed in the financial statement of the other Group companies.

8) Taxation

	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Tax (credit)/expense included in profit and loss		
Current tax:		
UK corporation tax on profit /(loss) for the year		4
Adjustment in respect of prior periods	(4)	-
Total current tax (credit) / expense	<u>(4)</u>	<u>4</u>
Deferred tax		
Origination and reversal of temporary differences	(5)	3
Impact of change in tax rate	4	-
Adjustment to tax expense in respect of the prior years	70	2
Total Deferred tax expense	<u>69</u>	<u>5</u>
Total tax expense on (loss)/profit	<u>65</u>	<u>9</u>

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

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

8) Taxation (continued)

	Financial Period 1 January 2016 to 31 March 2017 £'000	Financial Year 1 January 2015 to 31 December 2015 £'000
Results before tax	(455)	18
Results multiplied by the standard rate of tax in the UK of 20% (2015: 20.25%)	(91)	4
Effects of:		
- Expenses not deductible for tax purposes	-	3
- Adjustments to tax expense in respect of prior years	66	2
- Group relief surrendered /claimed	89	-
- Remeasurement of deferred tax – change in UK tax rate	2	-
- Other timing differences	-	(2)
- Deferred tax note recognized	(1)	2
Tax expense for the period/year.	65	9

Factors affecting future tax expenses

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.

Deferred tax assets/(liabilities)	Accelerated Capital allowances £'000	Losses £'000	Other £'000	Total £'000
At 1 January 2015	64	7	3	74
Expensed / (credited) to the income statement	2	(7)	-	(5)
At 1 January 2016	66	-	3	69
Expensed / (credited) to the income statement	(66)	-	(3)	(69)
At 31 March 2017	-	-	-	-

Deferred tax assets of £9,486 (2015: nil) have not been recognized as the directors consider there to be insufficient evidence of suitable future taxable income against which to recover them.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

9) Property plant and equipment

	Computer equipment	Leasehold Improvements	Fixture & Fittings and office equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2016	362	88	257	707
Disposals	(357)	-	-	(357)
At 31 March 2017	5	88	257	350
Accumulated Depreciation				
At 1 January 2016	358	48	257	663
Disposals	(357)	-	-	(357)
Depreciation expense for the period	2	26	-	28
At 31 March 2017	3	74	257	334
Net book value				
At 31 March 2017	2	14	-	16
At 1 January 2016	4	40	-	44

10) Trade and other receivables: disclosed as current assets

	At 31 March 2017 £'000	At 31 December 2015 £'000
Amounts owed by fellow group undertakings	417	1,052
Prepayment	28	53
Other taxation and social security	9	17
Deferred Tax	-	69
	454	1,191

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

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

11) Trade and other payables: disclosed as current liabilities

	At 31 March 2017 £'000	At 31 December 2015 £'000
Trade payables	47	37
Amounts owed to fellow group undertakings	219	517
Accruals	44	21
Corporation tax payable	-	4
	<u>310</u>	<u>579</u>

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

12) Share capital

	At 31 March 2017 £	At 31 December 2015 £
Authorised, allotted, issued and fully paid: 100 (2015: 100) ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

13) Retirement benefit obligations

The amount recognized as an expense for the defined contribution scheme was £ nil (2015: 77,000). Prepaid or unpaid pension for the current reporting period is nil.

14) Capital and other commitments

The company had the following minimum lease payments under non-cancellable operating lease for each of the following financial period/year.

	At 31 March 2017 £'000	At 31 December 2015 £'000
Less than one year	87	150
Between one and five years	-	125
	<u>87</u>	<u>275</u>

The operating leases primarily relate to buildings which are leased from a specialist leasing company.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued)

For the financial period 01 January 2016 to 31 March 2017

15) 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 Company 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 its registered address 1775 Tysons Blvd, Tysons, VA 22102, USA.

The immediate parent Company of Xchanging Software (Europe) Regional Hub Limited is Xchanging Holdings Limited, a Company incorporated in UK and registered in England and Wales.

16) 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.