

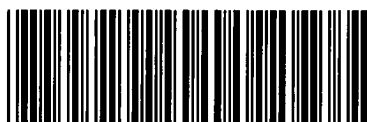
Company Registration No:06382952

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Annual report and financial statements

For the year ended 31 March 2018

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XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

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XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Officers and Professional Advisers

Directors

T A Gough	appointed	9 June 2017	
M A Majed	appointed	31 March 2018	
M C Woodfine			
D W Gray	resigned	7 April 2017	
N A Wilson	appointed	9 June 2017	resigned 31 March 2018

Registered Office

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

Independent Auditor

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

Principal Banker

HSBC Bank PLC
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 year ended 31 March 2018. 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 Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ, 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 year ended 31 March 2018 are set out on pages 8 to 18. Net loss for the year of £172,000 (2017: loss of £520,000) 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 net loss for the financial year of £172,000 (FP 2017: £520,000) and revenue of £nil (FP 2017: £nil). Net assets at the end of the financial year 31 March 2018 £5,000 (FP 2017: £177,000) and net current assets of £3,000 (FP 2017: net current assets £161,000).

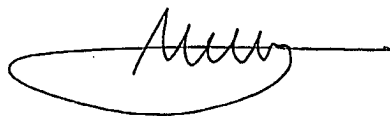
The previous reported period was for 15 months i.e. 1 January 2016 to 31 March 2017 and therefore results are not comparable with the current year, which is for 12 months i.e. 1 April 2017 to 31 March 2018. The performance for the year is in line with management's expectations.

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 year ended 31 March 2018 which are available to the public and may be obtained from the Company's website <http://www.dxctechnology.com>

Approved by the board and signed on its behalf by:



MC Woodfine

Director

03 January 2019

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Directors' report

The directors present the report on the affairs of the Company, together with the audited financial statements and auditor's report for the year ended 31 March 2018.

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.

Dividends

No dividend was declared or paid during the period (2017: £nil).

Political contribution

No political donations were made during the period (2017: £nil).

Going concern

Following a group restructuring, the director does not consider the company will remain as a going concern and intend to liquidate the company. The accounts have, therefore, been prepared on a basis other than that of going concern, and therefore all assets have been shown at realisable value. No adjustments to the accounts arose as a result of preparing the accounts on basis other than going concern.

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 year ended 31 March 2018, which are available to the public and may be obtained from <http://www.dxctechnology.com>

Directors

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

T A Gough	appointed	9 June 2017	
M A Majed	appointed	31 March 2018	
M C Woodfine			
D W Gray	resigned	7 April 2017	
N A Wilson	appointed	9 June 2017	resigned 31 March 2018

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

Directors' report (continued)

Research and development

The Company did not incur any research and development expense during the financial year (2017: £nil).

Branches outside the UK

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

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term. The Company has elected to dispense with the obligation to appoint an auditor annually under the provisions of section 485 to 488 of the Companies Act 2006.

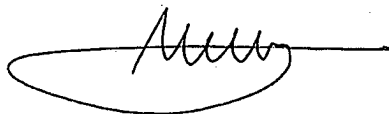
Disclosure of information to auditor

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

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 section 418(2) of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, enclosed within a large, hand-drawn oval.

MC Woodfine

Director

03 January 2019

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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors report for Xchanging Software Europe (Regional Hub) Limited

For the Financial year 01 April 2017 to 31 March 2018

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Xchanging Software Europe (Regional Hub) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss 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 income statement;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion

The company was acquired by CSC on 5 May 2016 and therefore the audit evidence available to us with respect to Income Statement transactions for the period ended 31 March 2017 was limited because sufficient accounting records and documentation were not available due to significant changes in 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 in the prior year.

As a result, our audit opinion on the financial statements for the period ended 31 March 2017 was modified accordingly. Therefore, our opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and corresponding figures in relation to the Income Statement transactions.

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 qualified opinion.

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

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this 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.

As described in the basis for qualified opinion section of our report, we were unable to obtain sufficient appropriate evidence about the comparability of the current year's transactions and the corresponding figures. We have concluded that where the other information refers to these transactions or the loss for the year, it may be materially misstated for the same reason..

Independent Auditors report for Xchanging Software Europe (Regional Hub) Limited

For the Financial year 01 April 2017 to 31 March 2018 (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 directors' report.

Matters on which we are required to report by exception

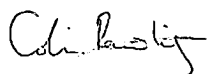
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Colin Rawlings FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

Statutory Auditor
London, United Kingdom.
03 January 2019

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Income statement

For the year ended 31 March 2018

		Financial Year (From 1 April 2017 to 31 March 2018) £'000	Financial Period (From 1 January 2016 to 31 March 2017) £'000
	Notes		
Administrative expenses		(172)	(455)
Operating loss	4	(172)	(455)
Loss before taxation		(172)	(455)
Tax expense	6	-	(65)
Loss for the financial year /period		(172)	(520)

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 18 form part of these financial statements.

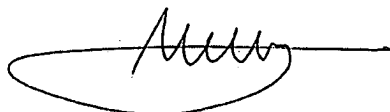
XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Statement of financial position As at 31 March 2018

	Notes	At 31 March 2018 £'000	At 31 March 2017 £'000
Assets			
Non-current assets			
Property, plant and equipment	7	2	16
Total non-current assets		<u>2</u>	<u>16</u>
Current assets			
Trade and other receivables	8	1,072	454
Cash and cash equivalents		20	17
Total current assets		<u>1,092</u>	<u>471</u>
Total assets		<u><u>1,094</u></u>	<u><u>487</u></u>
Liabilities			
Current liabilities			
Trade and other payables	9	(1,089)	(310)
Total current liabilities		<u>(1,089)</u>	<u>(310)</u>
Net current assets		<u>3</u>	<u>161</u>
Net assets		<u><u>5</u></u>	<u><u>177</u></u>
Equity			
Share capital	10	-	-
Retained earnings		5	177
Total equity		<u><u>5</u></u>	<u><u>177</u></u>

The notes on pages 11 to 18 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 03 January 2019 and signed on its behalf by:



MC Woodfine

Director

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Statement of changes in equity For the year ended 31 March 2018

	Share Capital	Retained earnings	Total
	£'000	£'000	£'000
Balance as at 1 January 2016		697	697
Loss for the financial period	-	(520)	(520)
Other comprehensive income for the period		-	-
Total comprehensive expense for the period	-	(520)	(520)
Balance as at 31 March 2017		177	177
Loss for the financial year	-	(172)	(172)
Other comprehensive income for the year			
Total comprehensive expense for the financial year	-	(172)	(172)
Balance as at 31 March 2018	-	5	5

The notes on pages 11 to 18 form part of these financial statements.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements For the year ended 31 March 2018

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. 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 Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ, 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 a group restructuring, the director does not consider the company will remain as a going concern and intend to liquidate the company. The accounts have, therefore, been prepared on a basis other than that of going concern, and therefore all assets have been shown at realisable value. No adjustments to the accounts arose as a result of preparing the accounts on basis other than going concern.

Notes to the financial statements (continued)
For the year ended 31 March 2018

2) Summary of significant accounting policies (continued)

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 year ended 31 March 2018

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 derecognized. 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.

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 April 2017 did not have a material effect on the financial statements.

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2018

3) Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the 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 judgments in relation to these financial statements.

4) Operating loss

	Financial Year 1 April 2017 to 31 March 2018 £'000	Financial Period 1 January 2016 to 31 March 2017 £'000
Operating (loss) is stated after charging/(crediting):		
Depreciation of owned assets	14	28
Operating lease expenses	110	189
Audit fee	1	4
	<u>125</u>	<u>221</u>

During the financial year 2018, the audit fee of £5,000 (2017: £4,000) has been incurred by the Company.

5) Employees and directors

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

Directors

During the current year director's 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

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2018

6) Taxation

	Financial Year 1 April 2017 to 31 March 2018 £'000	Financial Period 1 January 2016 to 31 March 2017 £'000
Tax (credit)/expense included in profit and loss		
Current tax:		
UK corporation tax on profit /(loss) for the year	-	-
Adjustment in respect of prior periods	-	(4)
Total current tax (credit) / expense	-	(4)
Deferred tax		
Origination and reversal of temporary differences	-	(5)
Impact of change in tax rate	-	4
Adjustment to tax expense in respect of the prior years	-	70
Total Deferred tax expense	-	69
Total tax expense on (loss)	-	65

The tax expense for the year is lower. (2017: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2018 of 19 % (2017: 20%). The differences are explained below:

	Financial Year 1 April 2017 to 31 March 2018 £'000	Financial Period 1 January 2016 to 31 March 2017 £'000
Results before tax	(173)	(455)
Results multiplied by the standard rate of tax in the UK of 19 % (2017: 20%)	(33)	(91)
Effects of:		
- Adjustments to tax expense in respect of prior years	-	66
- Group relief surrendered	30	89
- Other timing differences	3	2
- Deferred tax not recognized	-	(1)
	-	65

Factors affecting future tax expenses

The tax rate for the current period is lower than the prior period due to changes in UK Corporation tax rate which decreased from 20% to 19% from 1 April 2017. A reduction to the UK corporation tax rate from 19% to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015. A further reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

The rate of 17% (2017:17%) has been used to calculate the deferred tax asset /(liability).

XCHANGING SOFTWARE EUROPE (REGIONAL HUB) LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2018

7) Property plant and equipment

	Computer equipment £'000	Leasehold Improvements £'000	Fixture & Fittings and office equipment £'000	Total £'000
Cost				
At 1 April 2017	5	88	257	350
Disposals	-	-	-	-
At 31 March 2018	<u>5</u>	<u>88</u>	<u>257</u>	<u>350</u>
Accumulated Depreciation				
At 1 April 2017	3	74	257	334
Disposals	-	-	-	-
Depreciation expense for the year	2	12	-	14
At 31 March 2018	<u>5</u>	<u>86</u>	<u>257</u>	<u>348</u>
Net book value				
At 31 March 2018	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>
At 31 March 2017	<u>2</u>	<u>14</u>	<u>-</u>	<u>16</u>

8) Trade and other receivables: disclosed as current assets

	At 31 March 2018 £'000	At 31 March 2017 £'000
Amounts owed by fellow group undertakings	1,052	417
Prepayment	2	28
Other taxation	18	9
	<u>1,072</u>	<u>454</u>

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

9) Trade and other payables: disclosed as current liabilities

	At 31 March 2018 £'000	At 31 March 2017 £'000
Trade payables	29	47
Amounts owed to fellow group undertakings	1,049	219
Accruals	11	44
	<u>1,089</u>	<u>310</u>

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

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Notes to the financial statements (continued) For the year ended 31 March 2018

10) Share capital

	Financial Year At 31 March 2018 £	Financial Period At 31 March 2017 £
Authorised, allotted, issued and fully paid: 100 (2017: 100) ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

11) 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 2018 £'000	At 31 March 2017 £'000
Less than one year	83	87
Between one and five years	294	-
	<u>377</u>	<u>87</u>

The operating leases primarily relate to buildings which are leased from a specialist leasing company. Post liquidation of the entity, the lease will be transferred to one of the fellow subsidiaries of the Xchanging group.

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Notes to the financial statements (continued)

For the year ended 31 March 2018

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

13) Events after the end of the reporting period

On 06th December, 2018, it has been finally approved that the entity, being non trading, be liquidated.