

LOGICA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

THURSDAY



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COMPANIES HOUSE

LOGICA LIMITED

COMPANY INFORMATION

Directors	Faris M K Mohammed Francois Boulanger Stephen Mark Thorn (resigned 9 January 2018) Tara McGeehan (appointed 19 January 2018)
Company secretary	Sarah Landry Maltais (appointed 16 April 2018)
Registered number	01631639
Registered office	20 Fenchurch Street 14th Floor London EC3M 3BY
Independent auditors	Ernst & Young LLP 1 More London Place London SE1 2AF

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LOGICA LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

Introduction

The directors' present their Strategic Report for the year ended 30 September 2018.

Business review

The principal activity of Logica Limited (the "Company") was that of an intermediate holding company within the group headed by CGI Group Inc. (now known as CGI Inc.) (the "Group"), a company incorporated in Quebec that is listed on the Toronto Stock Exchange and New York Stock Exchange.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the group headed by CGI Group Inc. (now known as CGI Inc.) and are not managed separately. The principal financial risk that the company is exposed to is foreign currency exchange rate risk. The Company's policy with respect to managing the risk in both the current and prior year is set out below.

Foreign exchange risk

The foreign exchange risk associated with the loans to and from group undertakings is monitored centrally by the CGI Group Inc. (now known as CGI Inc.) treasury team and any significant exposures are hedged externally on a group aggregated basis.

Credit risk

The credit risk associated to the loans is considered to be minimal as the counter parties are all within a common group which is supported by CGI Group Inc. (now known as CGI Inc.), the ultimate parent company.

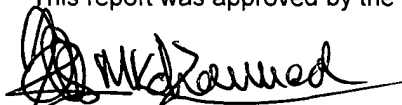
Valuation of investments risk

The company is also exposed to uncertainty in relation to recoverability of investments in subsidiaries.

Financial key performance indicators

The Company has a net asset position of £2,002,430,000 as of the current year end (2017: £2,016,694,000). During the year the Company also earned a profit of £98,522,000 (2017: £147,087,000).

This report was approved by the board and signed on its behalf.



Faris M K Mohammed
Director

Date: 24 JUNE 2019

LOGICA LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The directors present their report and the financial statements for the year ended 30 September 2018.

Results and dividends

The profit for the year, after taxation, amounted to £98,522,000 (2017: £147,087,000).

The Company declared and paid ordinary dividends in respect of the current year of £112,786,000 (2017: £163,506,000). The directors do not recommend any further dividends to be paid for the year ended 30 September 2018.

Directors

The directors who served during the year were:

Faris M K Mohammed
Francois Boulanger
Stephen Mark Thorn (resigned 9 January 2018)
Tara McGeehan (appointed 19 January 2018)

Future developments

The company will continue to act as an intermediary holding company for the foreseeable future.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

PricewaterhouseCoopers LLP will be proposed for appointment as the Company's auditors for the next fiscal year in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Faris M K Mohammed
Director

Date: 24 JUNE 2019

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 AUDITOR'S REPORT TO THE MEMBERS OF LOGICA LIMITED

Opinion

We have audited the financial statements of Logica Limited for the year ended 30 September 2018 which comprise the Income statement, the Statement of other comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 below. 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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

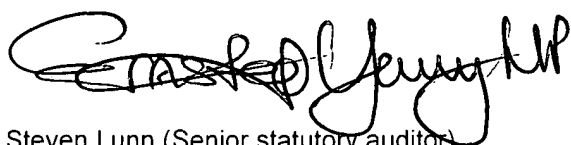
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

A handwritten signature in black ink, appearing to read 'Steven Lunn', with a stylized flourish at the end.

Steven Lunn (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

27 June 2019

LOGICA LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	2018 £000	2017 £000
Administrative expenses		(7)	44
Operating (loss)/profit		(7)	44
Income from shares in group undertakings	6	109,082	172,716
Amounts written off investments	11	(8,741)	(21,804)
Interest payable and similar expenses	7	(1,757)	(2,229)
Other finance expense	8	(55)	(1,640)
Profit before tax		98,522	147,087
Tax on profit	9	-	-
Profit for the financial year		98,522	147,087

The notes on pages 13 to 27 form part of these financial statements.

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2018

The notes on pages 13 to 27 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	11	2,002,119	2,008,119
		<u>2,002,119</u>	<u>2,008,119</u>
Current assets			
Debtors due after more than 1 year	12	10,627	11,450
Debtors due within 1 year	12	126,008	49,020
Cash at bank	13	5,677	1,024
		<u>142,312</u>	<u>61,494</u>
Creditors: amounts falling due within one year	14	(75,666)	(2,884)
Net current assets		<u>66,646</u>	<u>58,610</u>
Total assets less current liabilities		<u>2,068,765</u>	<u>2,066,729</u>
Creditors: amounts falling due after more than one year	15	(66,335)	(50,035)
		<u>2,002,430</u>	<u>2,016,694</u>
Net assets		<u><u>2,002,430</u></u>	<u><u>2,016,694</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2018

	Note	2018 £000	2017 £000
Capital and reserves			
Called up share capital	16	323,562	323,562
Share premium account	17	919,849	919,849
Capital redemption reserve	17	8,400	8,400
Other reserves	17	23,251	23,251
Profit and loss account	17	727,368	741,632
		<u>2,002,430</u>	<u>2,016,694</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Faris M K Mohammed
Director

Date: 24 June 2019

LOGICA LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 October 2017	323,562	919,849	8,400	23,251	741,632	2,016,694
Comprehensive income for the year						
Profit for the year	-	-	-	-	98,522	98,522
Other comprehensive income for the year						
	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	98,522	98,522
Equity dividends paid (Note 10)	-	-	-	-	(112,786)	(112,786)
Total transactions with owners	-	-	-	-	(112,786)	(112,786)
At 30 September 2018	323,562	919,849	8,400	23,251	727,368	2,002,430

The notes on pages 13 to 27 form part of these financial statements.

LOGICA LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 October 2016	323,562	919,849	8,400	23,251	758,051	2,033,113
Comprehensive income for the year						
Profit for the year	-	-	-	-	147,087	147,087
Other comprehensive income for the year						
	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	147,087	147,087
Equity dividends paid (Note 10)	-	-	-	-	(163,506)	(163,506)
Total transactions with owners	-	-	-	-	(163,506)	(163,506)
At 30 September 2017	323,562	919,849	8,400	23,251	741,632	2,016,694

The notes on pages 13 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Logica Limited (the "Company") for the year ended 30 September 2018 were approved by the board of directors on 24 June 2019 and the balance sheet was signed on the board's behalf by Faris M.K. Mohammed. Entity Logica Limited is a private company limited by shares, incorporated and domiciled in England.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of CGI Group Inc. (now known as CGI Inc.), a listed company incorporated in Canada. The results of Logica Limited are included in the consolidated financial statements of CGI Group Inc. (now known as CGI Inc.), which can be obtained by visiting the Investors section on CGI's web site at www.cgi.com

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in 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 a party to the transaction is wholly owned by such a member

2.3 Going concern

The Company has a healthy net asset position and has adequate resources to continue in operational existence for the foreseeable future and accordingly they continue to adopt the going concern basis in the preparation of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

2. Accounting policies (continued)

2.4 Borrowing costs

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Taxation

Tax is recognised in the Income statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.9 Income from shares in group undertakings

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

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

2. Accounting policies (continued)**2.11 Financial instruments (continued)****Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Income statement. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

2.12 Foreign currencies

In preparing the financial statements, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, the monetary assets and liabilities that are denominated in foreign currencies are retranslated at rates prevailing at each reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of investments in subsidiaries:

The Company conducts impairment reviews of investments in subsidiaries annually. Whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable then the company impairs its investments. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. Management believe that any reasonably possible changes in the assumptions used in the impairment reviews would not affect management's view on impairment at current year end.

4. Auditors' remuneration

Audit fees for statutory audit services of £12,000 (2017: £12,000) were borne and paid for by another company within the Group and have not been allocated to the Company during the current and prior year.

5. Employees and Directors' remuneration

The Company has no employees other than the directors. Emoluments for the directors of the Company were paid by other companies within the Group and have not been allocated to the company during the year or prior years. The directors also provided services to other group undertakings and received remuneration from fellow group undertakings, CGI IT UK Limited and CGI Group Inc. (now known as CGI Inc.), in respect of services to the Group. It is not possible to identify the proportion of this remuneration that related to services provided to the Company.

6. Income from shares in group undertakings

	2018 £000	2017 £000
Dividends received from group undertakings	109,082	172,716
	<u>109,082</u>	<u>172,716</u>

During the year the Company received dividend of £79,283,000 from CGI Eurofin UK Ltd and of £29,799,000 from CGI Corporate Holdings Ltd (2017: £172,716,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

7. Interest payable and similar expenses

	2018 £000	2017 £000
Loans from group undertakings	1,757	2,229
	1,757	2,229

8. Other finance expense

	2018 £000	2017 £000
Foreign exchange loss	(55)	(1,640)
	(55)	(1,640)

Other finance expenses mainly relates to unrealised exchange loss on long-term loan receivable / payable from / to group undertakings. This is due to significant fluctuation in the Sterling rate against Euro, AUD, USD and DKK.

9. Taxation

	2018 £000	2017 £000
Total current tax	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

9. Taxation (continued)

Reconciliation of total tax charge:

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.0% (2017 - 19.5%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	98,522	147,087
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2017 - 19.5%)	18,719	28,682
Effects of:		
Impairment / write off of investments	1,661	4,252
Non-taxable income	(20,726)	(33,680)
Group relief for which no payment is made	346	746
Total tax charge for the year	-	-

Change in Corporation tax rate:

The Finance Act 2016 will reduce the main rate of corporation tax to 17% from 1 April 2020.

Deferred tax assets have not been recognised in respect of tax losses of £63,847,000 (2017: £63,847,000) arising from non-trading loan relationships because it is not considered probable that future income from non-trading loan relationships will be available against which they can be realised.

10. Dividends

	2018 £000	2017 £000
Dividend paid	112,786	163,506
	112,786	163,506

During the year the Company has declared and paid a dividend of £112,786,000 to CGI Group Holdings Europe Limited (2017: £163,506,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

11. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 October 2017	2,751,136
Additions	2,741
Disposals	(4)
At 30 September 2018	<u>2,753,873</u>
Impairment	
At 1 October 2017	743,017
Charge for the period	8,741
Impairment on disposals	(4)
At 30 September 2018	<u>751,754</u>
Net book value	
At 30 September 2018	<u><u>2,002,119</u></u>
At 30 September 2017	<u><u>2,008,119</u></u>

During the year, the Company acquired investment in CMG Information Technology Sdn Bhd and in Admiral IT Services Sdn Bhd and impaired £2,741,000 against carrying value of this investment.

The Company disposed investment in Alcyane (UK) Ltd. During the year, the Company impaired £6,000,000 against carrying value of investment in CGI Finance (UK) Limited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**
11. Fixed asset investments (continued)
Subsidiary undertakings

The following were direct and indirect subsidiary and associate undertakings

Name	Registered office	Principal activity	Class of shares	Holding
Admiral Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Dormant	Ordinary	100%
CGI Corporate Holdings Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	90.85%
CGI Finance (UK) Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	100%
CGI Eurofin UK Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	100%
CMG Information Technology Sdn Bhd	Chamber E, Lian Seng Courts, 275 Jalan Haruan 1, Oakland Industrial Park, 70200 Seremban, Negeri Sembilan, Malaysia	Dormant	Ordinary	100%
Admiral IT Services Sdn Bhd	Chamber E, Lian Seng Courts, 275 Jalan Haruan 1, Oakland Industrial Park, 70200 Seremban, Negeri Sembilan, Malaysia	Dormant	Ordinary	100%
CGI IT Consulting Pte Limited	8 Marina Boulevard, #05-02, Marina Bay Financial Centre, Singapore (018981)	IT Consulting	Ordinary	100%
1900 Group Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	100%
CMG Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Dormant	Ordinary	90.85%
CGI IT Romania s.r.l.	Calea Serban Voda nr. 133, Central Business Park, Cladirea A, Etaj 2, Sectiunea A2.41, Sector 4, Bucuresti, Romania	IT Consulting	Ordinary	90.85%
CGI Bulgaria EOOD	17a Tvardishki Prohod Street, Sfoia 1404, Bulgaria	IT Consulting	Ordinary	90.85%
CGITI Portugal SA	Av José Malhoa 16-A, 5, 1070-159 Lisboa, Portugal	IT Consulting	Ordinary	90.85%
Logica Holdings BV	Registered seat: Amstelveen; Head office: Siriusdreef 30, 2132 WT Hoofddorp, the Netherlands	Intermediate holding	Ordinary	90.85%
Logica Holdings AB	Torshamnsgatan 24, 164 98 Stockholm, Sweden	Intermediate holding	Ordinary	90.85%
CASE Edinfor Asia – Sistemas de Informação Limitada	Rua Ramal dos Mouros no 14, apartamento 8-D, Macao	Dormant	Ordinary	90.85%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**
11. Fixed asset investments (continued)
Subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
Source Tech, Ltda - JV	Rua da Felicidade no. 74, Edifício Vodatel, 2 andar F, Taipa, Macau	Intermediate holding	Ordinary	31.80%
Edinfor Imóveis SA	Av José Malhoa, 16-A, 5o, 1070-159 Lisboa, Portugal	IT Consulting	Ordinary	85.24%
ACE Consulting, Consultoria, Projectos e Tecnologias de Informação Ltda (Angola)	Rua Rainha Ginga, número 187, Edifício Rainha Ginga, Piso Intermédio, Luanda, Angola	Dormant	Ordinary	90.85%
Portábil – Bases de Dados para a Portabilidade em Telecomunicações, SA - JV	Av José Malhoa no 16A, 5 - 1070-159 Lisboa, Portugal	IT Consulting	Ordinary	31.80%
Escritomática – Racionalização e Segurança, Lda Si-Proc A.C.E.	Rua Heróis de Chaimite, 12-A, 2675-374 Odivelas, Portugal	IT Consulting	Ordinary	90.85%
Logica International Holdings BV	Av José Malhoa 16-A, 5 , 1070-159 Lisboa, Portugal Registered seat: Amstelveen; Head office: Siriusdreef 30, 2132 WT Hoofddorp, the Netherlands	IT Consulting Intermediate holding	Ordinary	67.23% 90.85%
PT Logica Indonesia	Menara Thamrin, 3-A Floor, Suite 3-A-05, Jl. M.H. Thamrin Kav. 3, Jakarta Pusat, Indonesia	Dormant	Ordinary	90.85%
Logica Information Technology SAE	21st Agriculture Helwan Road, Maadi, Cairo Governorate, Egypt	Dormant	Ordinary	90.85%
CGI IT Consulting Hungary Kft	Tartsay Vilmos utca 3, H-1126 Budapest, Hungary	IT Consulting	Ordinary	90.85%
Logica Hong Kong Limited	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong	Dormant	Ordinary	90.85%
CGI Information Systems and Management Consultants Pty Ltd.	c/o King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia	IT Consulting	Ordinary	45.88%
Logica Holdings Nederland BV	Registered seat: Amstelveen; Head office: Siriusdreef 30, 2132 WT Hoofddorp, the Netherlands	Intermediate holding	Ordinary	90.85%
LogicaCMG Singapore Pte Limited	810 Bedok Reservoir Road, #05-10, Singapore 479241	Dormant	Ordinary	90.85%
CGI IT Consulting Sdn Bhd	Level 15 & 16, Menara Asia Life, No 189 Jalan Tun Razak 50400 Kuala Lumpur, Malaysia	IT Consulting	Ordinary	90.85%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**
11. Fixed asset investments (continued)
Subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
CGI IT Consulting Sdn Bhd	Level 15 & 16, Menara Asia Life, No 189 Jalan Tun Razak 50400 Kuala Lumpur, Malaysia	IT Consulting	Redeemable non-convertible non-voting preference shares	90.83%
CGI Technologies and Solutions Australia Pty Limited	c/o King & Wood Mallesons, Governor Phillip Tower, Level 61, 1 Farrer Place, Sydney, NSW 2000, Australia	IT Consulting	Ordinary	45.88%
CGI Information Systems and Management Consultants International Pty Ltd.	c/o King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia	IT Consulting	Ordinary	45.88%
CGI Nederland BV	Registered seat: Amstelveen; Head office: George Hintzenweg 89, 3068 AX, Rotterdam	IT Consulting	Ordinary	90.85%
CGI Slovakia s.r.o.	Suché Myto 1, 811 03 Bratislava, Slovakia	IT Consulting	Ordinary	90.85%
CGI Deutschland Ltd & Co KG	Registered seat: Leinfelden-Echterdingen, Business Address: Leinfelder Str. 60, 70771 Leinfelden-Echterdingen	IT Consulting	Ordinary	90.85%
CGI IT Czech Republic s.r.o.	Laurinova 2800/4, Praha 5, Stodulky, 15500	IT Consulting	Ordinary	90.85%
ACE Sistemas de Informação, Ltda	Avenida das Nações Unidas 12.495, 6th Floor, 2nd Room Torre A - Torre Nações Unidas, Brooklin Nova, City of São Paulo, State of São Paulo, 04578-000, Brazil	Dormant	Ordinary	90.85%
CGI América do Sul Soluções de Tecnologia Ltda	Avenida Presidente Castelo Branco, no. 77, Cidade de Mogi des Cruzes, Estado de São Paulo, CEP 08820-460, Brazil	IT Consulting	Ordinary	86.93%
IndependIT - JV	Utrecht Fultonbaan 6, 3439NE Nieuwegein, Netherlands	Intermediate holding	Ordinary	45.43%
CGI Belgium NV	Vuurberg - Airport Plaza, Building C Kyoto, Leonardo Da Vincilaan 19, 1831 Diegem, Belgium	IT Consulting	Ordinary	90.85%
CGI d.o.o.	Sarengradaska 9, 10000 Zagreb, Croatia	Dormant	Ordinary	90.85%
CGI South América Holdings Participações Ltda	Avenida das Nações Unidas 12.495, 6th Floor, 2nd Room Torre A - Torre Nações Unidas, Brooklin Nova, City of São Paulo, State of São Paulo, 04578-000, Brazil	Intermediate holding	Ordinary	86.93%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

11. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
Parere AB	Torshamnsgatan 24, 164 98 Stockholm, Sweden	Dormant	Ordinary	90.85%
CGI Holdings Suomi Oy	P.O. Box 38, 00381 Helsinki, Finland	Intermediate holding	Ordinary	90.85%
Finance CGI Suomi Oy	Karvaamokuja 2, 00380 Helsinki, Finland	Intermediate holding	Ordinary	90.85%
CGI Nordic Investments Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	90.85%
CGI IT-konsulter AB	Torshamnsgatan 24, 164 98 Stockholm, Sweden	Intermediate holding	Ordinary	90.85%
AS CGI Eesti	A. H. Tammsaare tee 47, Kristiine district, Tallinn city, Harju county, 11316, Estonia	IT Consulting	Ordinary	90.85%
CGI Nordic Holdings Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	90.85%
CGI Danmark A/S	Lautruphøj 10, Ballerup 2750, Denmark	IT Consulting	Ordinary	90.85%
CGI Sverige AB	Torshamnsgatan 24, 164 98 Stockholm, Sweden	IT Consulting	Ordinary	90.85%
CGIISMC Information Systems and Management Consultants (Sverige) AB	Torshamnsgatan 24, 164 98 Stockholm, Sweden	Dormant	Ordinary	90.85%
Network Enabling System Partner (NESP) AB	Gånstavägen 4, 749 42, Enköping, Sweden	Intermediate holding	Ordinary	18.17%
CGI Finance Holdco Two Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Intermediate holding	Ordinary	90.85%
CGI Norge AS	Grenseveien 86, N 0605, Oslo, Norway	IT Consulting	Ordinary	90.85%
CGI Suomi Oy	Garverigranden 2, (PL38) 00381 Helsinki, Finland	IT Consulting	Ordinary	90.85%
Logica International Limited	14th Floor, 20 Fenchurch Street, London EC3M 3BY, United Kingdom	Dormant	Ordinary	90.85%
eFennia Oy	Asemamiehenkatu 3, 00520 Helsinki, Finland	IT Consulting	Ordinary	72.68%
CGI Latvia SIA	Vilandes iela 3, Riga, LV-1010, Latvia	IT Consulting	Ordinary	90.85%
LTC-Otso Oy	Revontulentie 7, 02100 ESPOO, Finland	IT Consulting	Ordinary	36.34%
Finanssi Kontio Oy	PO BOX 1001, Valimotie 17, 00381 Helsinki, Finland	IT Consulting	Ordinary	36.34%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

11. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
Affecto Oy	Keilaranta 17 C 02150 Espoo, Helsinki, Finland	IT Consulting	Ordinary	90.85%
Information Technology Solutions Affecto (Pty) Limited	Registered office: 22 Wellington Road, Parktown, Johannesburg, Gauteng, 2193, South Africa Postal address: Private Bag X60500, Houghton Johannesburg, Gauteng, 2041, South Africa	IT Consulting	Ordinary	90.85%
Affecto Estonia OÜ	Pärnu mnt 15, Tallinn city, Harju county 10141, Estonia	IT Consulting	Ordinary	90.85%
CGI Lithuania, UAB	Vilniaus m. sav. Vilniaus m. Perkunio g. 4a, Lithuania	IT Consulting	Ordinary	90.85%
CGI IT Latvia, SIA	Zigfrida Annas Meierovica bulvaris 16 – 1, Riga, LV-1050, Latvia	IT Consulting	Ordinary	90.85%
Affecto Poland Sp.z o.o.	ul. PLAC MARSZ. JÓZEFA PILSUDSKIEGO, nr 2, lok. ---, miejsc. WARSZAWA, kod 00-078, poczta WARSZAWA, kraj POLSKA	IT Consulting	Ordinary	90.85%
Mebius IT Vilnius UAB.	A. Goštauto g. 40B, LT-01112 Vilnius	IT Consulting	Ordinary	90.85%

12. Debtors

	2018 £000	2017 £000
Due after more than one year		
Amounts owed by group undertakings	10,627	11,450
	10,627	11,450
Due within one year		
Amounts owed by group undertakings	126,008	49,020
	136,635	60,470

Amounts owed by group undertakings falling due after more than one year are unsecured and interest bearing at the rate as specified in the individual loan agreements.

Amounts owed by group undertakings are unsecured and payable on demand.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**
13. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank	5,677	1,024
Less: bank overdrafts	(75,646)	-
	<u>(69,969)</u>	<u>1,024</u>

14. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Bank overdrafts	75,646	-
Amounts owed to group undertakings	20	2,881
Other creditors	-	3
	<u>75,666</u>	<u>2,884</u>

Amounts owed to group undertakings are unsecured and payable on demand.

15. Creditors: Amounts falling due after more than one year

	2018 £000	2017 £000
Amounts owed to group undertakings	66,335	50,035
	<u>66,335</u>	<u>50,035</u>

Amounts owed to group undertakings are unsecured, payable on demand and for amounts falling within formalised loan agreements, interest bearing at a rate specific to each loan.

16. Share capital

	2018 £000	2017 £000
Shares classified as equity -Authorised	323,562	323,562
Allotted, called up and fully paid		
3,235,622,671 (2017: 3,235,622,671) Ordinary shares of 0.10 each	<u>323,562</u>	<u>323,562</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

17. Reserves

Share premium account

Share premium account represents the excess of the issue price over the par value on shares issued.

Capital redemption reserve

The Capital redemption reserve was a non-distributable reserve and contained the nominal value of the shares re-purchased and cancelled.

Other reserves

The special reserve represented the reduction in share premium account following the High Court's agreement in 1988 and adjustment for fair value of the investment in subsidiary held for disposal.

Profit & loss account

Profit and loss account includes the cumulative retained earnings and profit for the current year.

18. Guarantees

As at September 30, 2018, the Company was the guarantor of obligations of CGI Group Inc. (now known as CGI Inc.) under a reformulated and amended credit contract for the sum of CA \$1,500,000,000 that expires in December 2022*, with a group of lenders represented by National Bank of Canada, as agent. The Company was also a guarantor of obligations of CGI Group Inc. (now known as CGI Inc.) in an issue of promissory notes on December 15, 2011 and on September 12, 2014; as at September 30, 2018, amounts of CA \$504,075,000 and CA\$1,025,992,000 were drawn, respectively.

*Subsequent event: On November 6, 2018, the credit facility was extended by one year to December 2023 with no material changes in the term and conditions and can be further extended.

19. Related party transactions

As a wholly owned subsidiary undertaking of the ultimate parent undertaking, CGI Group Inc. (now known as CGI Inc.), the company has taken advantage of the exemption under FRS 101, the requirements in IAS 24 'Related Party Disclosures' from disclosing transactions with other members of the group headed by CGI Group Inc. (now known as CGI Inc.), whose accounts are publicly available.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

20. Controlling party

The Company's immediate parent company is CGI Group Holdings Europe Limited. CGI Group Inc. (now known as CGI Inc.), a company incorporated in Quebec, Canada, is the ultimate parent undertaking of the smallest and largest group of undertakings of which the Company is a member and for which group financial statements are drawn up. The consolidated financial statements of CGI Group Inc. (now known as CGI Inc.) can be obtained by visiting the Investors section on CGI's web site at www.cgi.com or by contacting Investor Relations by mail or telephone:

Investor Relations
CGI Group Inc. (now known as CGI Inc.)
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