Registered No 00936751

Enterprise Services Defence and Security UK Limited

Annual Report and Financial Statements

For the 12 month period ended 31 March 2019

Registered No 00936751

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Company information

Directors
T Gough
M Majed
M Woodfine

Auditor
Deloitte LLP
Statutory Auditor
1 Station Square
Cambridge
CB1 2GA

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

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

Directors' report

The directors present their report on the affairs of the Company, together with the audited financial statements for the 12 month period ended 31 March 2019.

The previous audited financial statement were for a period longer than a year as the company aligned to DXC Technology's group year end. Therefore the comparative data throughout is from the last published annual report and financial statements drawn up for the 17 month period to 31 March 2018, this means data is not entirely comparable.
Enterprise Services Defence and Security UK Limited is a private company, limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Company's registered and principal address is Royal Pavilion, Wellesley Road, Aldershot, Hampshire, United Kingdom, GU11 1PZ.

Review of the business

The principal activity of the company is to continue to hold the benefit of contracts entered into with the Ministry of Defence and other defence related entities in trust for another undertaking in the DXC Technology group, Entserv UK Limited. Accordingly it recognises neither income nor expenditure arising from these contracts. The company has not actively traded during the current or prior periods but holds loans to and from fellow group companies on which it earned interest. It is expected that the company will continue its principal activity for the foreseeable future.

The profit for the 12 months period, after taxation, amounted to £8,749 (2018: Loss £154,995) as set out on page 10 of the financial statements.

The company is part of the DXC Technology Group of companies. At the balance sheet date, 31 March 2019 DXC Technology Company is the ultimate parent.

Directors

The directors during the period, and to date, were as follows:

T Gough
M Woodfine
M Majed

During the period, and up to the date of approval of the financial statements, no qualifying third-party indemnity provisions were made by the Company during the period for the benefit of its directors.

Dividends

The Company did not propose, declare or pay any dividends during the 12 month period ended 31 March 2019 (2018: £ nil). No dividends were proposed post-year end.

Research and development

The company had undertaken no research and development activity or spend during 12 month period ended 31 March 2019 (2018: £ nil).

Directors' report (continued)

Political or charitable donations

The company has not made any political or charitable donations during 12 month period ended 31 March 2019 (2018: £ nil)

Going concern

The Company is profit making and reports net assets, thus the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Confirmation has been provided by the parent company that it will continue to support the operations going forward. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

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

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 2. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and

- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are 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

Risk management, objectives and policies

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

On 23rd June 2016, a referendum in the United Kingdom returned a result in favour of leaving the European Union. Whilst the longer term political and economic effects of these events are yet unclear, the announcement of the referendum result immediately triggered a significant amount of market turbulence, including sterling falling against both the U.S. dollar and Euro. DXC has been actively planning for various Brexit scenarios since September 2018, with regular reporting to Senior Managers from a dedicated Brexit readiness team. Significant mitigation has already put in place to reduce the organisation's exposure in a number of key areas.

The situation is being actively monitored by subject matter experts on a daily basis and the directors shall review whether there has been any impact of changes to the foreign exchange on the financial statements after the final date and shape of Brexit is determined.

Further details on other business risks and uncertainties can be found in Section 1A of the DXC's consolidated financial statements for the year ended 31 March 2019, which are available to the public and may be obtained from the Company's website www.dxc.technology.

Directors' report (continued)

Strategic report

Advantage has been taken of the exemption under section 414B of the Companies Act 2006 from the requirement to prepare a Strategic Report.

In preparing this report, the directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Auditors

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

On behalf of the Board

T Gough

Director

Date: 18 November 2019

Directors' responsibilities statement

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that 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;
- 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Independent auditor's report

to the members of Enterprise Services Defence and Security UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Enterprise Services Defence and Security UK Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 12.

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 opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Independent auditor's report (continued)

to the members of Enterprise Services Defence and Security UK Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

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.

Independent auditor's report (continued)

to the members of Enterprise Services Defence and Security UK Limited

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 period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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

Lee Welham FCA(Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Cambridge

United Kingdom

Date: 19/11/2019

Statement of comprehensive income

For the 12 month period ended 31 March 2019

	Notes	*12 months ended 31 March 2019 £'000*	*17 months ended 31 March 2018 £'000*
Operating profit		-	-
Finance income	7	9	17
Foreign currency exchange gain/(loss)		-	(171)
Profit/(loss) before taxation		9	(154)
Tax on profit/(loss)	8	-	(1)
Profit/(Loss) for the period		9	(155)

All activities of the Company are classified as continuing.

There are no other comprehensive income items recorded. The Company has not recognised gains and losses other than the results for the period as set out above.Accordingly, no separate statement of other comprehensive income has been presented.

The notes on pages 13 to 18 are part of these financial statements.

Balance sheet

As at 31 March 2019

	Notes	2019 £'000	2018 £'000
Current assets			
Account receivables	9	1,877	1,868
Current Liabilities		-	-
Net current assets		1,877	1,868
Total asset less current liabilities		1,877	1,868
Net assets		1,877	1,868
Equity			
Called up share capital	10	1,000	1,000
Retained earnings		877	868
Total equity		1,877	1,868

The notes on pages 13 to 18 form part of these financial statements.

These financial statements of Enterprise Services Defence and Security UK Limited (registered number: 00936751) on pages 10 to 18 were approved and authorised for issue by the board of directors on 18 November 2019 and signed on its behalf by.

T Gough
Director

Date: 18 November 2019

Statement of changes in equity

for the 12 month period ended 31 March 2019

	Share capital *£'000*	Retained earnings *£'000*	Total Equity *£'000*
At 1 November 2016	1,000	1,023	2,023
Loss and total comprehensive expense for the period from 1 November 2016 to 31 March 2018	-	(155)	(155)
At 31 March 2018	1,000	868	1,868
Profit and total comprehensive income for the period 1 April 2018 to 31 March 2019	-	9	9
At 31 March 2019	1,000	877	1,877

The notes on pages 13 to 18 form part of these financial statements.

Notes to the financial statements

For 12 month period ended 31 March 2019

1. Basis of accounting and general information

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

The company continues to hold the benefit of contracts entered into with the Ministry of Defence and other defence related entities in trust for another undertaking in the DXC Technology group, Entserv UK Limited.

2. Summary of significant accounting policies

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 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 the ultimate parent company, DXC Technology Company ("DXC"), in relation to:

(a) the requirements of IFRS 7 Financial Instruments: Disclosures;

(b) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;

(c) the requirements of the following paragraphs of IAS 1 Presentation of Financial Statements;

> 10(d) and 111 – a statement of cash flows for the period;
>
> 10(f) – a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements;
>
> 16 – a statement of compliance with IFRS, which is not applicable since we are adopting FRS101 rather than following IFRS in full;
>
> 38A-D and 40A-D – a third statement of financial position, profit and loss and other comprehensive income, statement of changes in equity and other additional comparative information;

(d) the requirements of IAS 7 Statement of Cash Flows;

(e) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;

(f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;

(g) 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

Notes to the financial statements (continued)

For 12 month period ended 31 March 2019

2 Summary of significant accounting policies(continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development, principal risks and uncertainties, performance and position are set out within the Directors report.Assurance has been given by the ultimate parent company that it will continue to support the operations of the Company for a minimum of twelve months from the date of signing these financial statements.

The directors have a reasonable expectation that the Company, and DXC, have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Interest income

Interest income is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets within the scope of IFRS9 are classified as financial assets at fair value through profit or loss or loans and receivables.

The Company determines the classification of its financial assets at initial recognition. All financial assets are recnognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Company's financial assets include cash and short-term deposits and trade and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit of loss: Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Financial assets at fair value through profit and loss are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the income statement.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

Impairment of financial assets

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

Notes to the financial statements (continued)

For 12 month period ended 31 March 2019

2 Summary of significant accounting policies(continued)

Income Taxes and Deferred Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions are translated at the rate of exchange ruling at the date of the relevant transaction. Exchange gains and losses are dealt with through the income statement.

New standards, amendments and IFRIC interpretations

In the current period the company has applied IFRS 9, Financial Instruments which is effective for the period beginning on or after 1 January 2018.

After assessment, the impact of this standard there was no change to the accounting and presentation of the company's financial results to that used in the previous period.

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

3. Critical accounting judgments and key sources of estimation uncertainty

Certain accounting policies are considered to be critical. An accounting policy is considered to be critical if, in the directors' judgement, its selection or application materially affects the financial position or results. The application of the accounting policies also requires the use of estimates and assumptions that affect the financial position or results.

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

4. Auditor's remuneration

The auditor's remuneration for the company for the 12 month period ended 31 March 2019 of £10,855 (17 month period ended 31 March 2018: £10,673) has been borne by a fellow group company, Entserv UK Ltd. The whole amount relates to auditing of financial statement.

Notes to the financial statements (continued)

For 12 month period ended 31 March 2019

5. Directors' remuneration

Directors' emoluments have been borne by fellow group companies. The directors of the Company are also directors or officers of other companies within the DXC Technology group. The directors' services to the Company do not occupy a significant amount of their time and are considered to be incidental. As such these directors do not consider that they receive any remuneration for their services to the Company for the 12 months period ended 31 March 2019 and the 17 month period ended 31 March 2018.

6. Employees

There were no employees for the Company during the current or previous financial period.

7. Finance Income

	12 months Ended 31 March 2019 £'000	*17 months ended 31 March 2018 £'000*
Interest from group undertakings	9	17

8. Tax on profit/(loss)

(a) Analysis of tax charge in the period

	12 months ended 31March 2019 £'000	*17 months ended 31March 2018 £'000*
Current tax:		
United Kingdom corporation tax on profit for the period at 19% *(2018: 19.3%)*	-	-
Under provision in prior periods	-	1
Tax charge on profit (note 8b)	-	1

Notes to the financial statements (continued)

For 12 month period ended 31 March 2019

8. Tax on profit/(loss) (continued)

(b) Factors affecting the current tax charge

The tax assessed on the profit for the year is at the standard rate of corporation tax in the United Kingdom of 19%. The differences are explained below:

	12 months ended 31 March 2019 £'000	*17 months ended 31 March 2018 £'000*
Profit/(loss) before tax	9	(154)
Profit/(loss) multiplied by standard rate of corporation tax in the United Kingdom of 19% (2018: 19.3%)	2	(30)
Group surrender	(2)	30
Under provision in prior years	-	1
Total current tax (note 8a)	-	1

(c) Factors that may affect future tax charges

The Finance Bill 2016 announced a reduction in the United Kingdom corporation tax rate from 20% to 19%, effective from 1 April 2017. The bill also further reduced the rate to 17% effective from 1 April 2020. These rates were substantively enacted on 15 September 2016.

9. Account Receivables

	2019 £'000	*2018 £'000*
Amounts owed by fellow group undertakings	1,877	1,868

Amounts owed by fellow group undertakings of £1,876,982 (2018: £1,868,224) earn daily interest at a rate of LIBOR less 15 basis points and are payable on demand and unsecured.

Notes to the financial statements (continued)

For 12 month period ended 31 March 2019

10. Called up share capital

	2019	2018
	£'000	£'000
Authorised, allotted, called up and fully paid:		
1,000,000 ordinary shares of £1 each	1,000	1,000

11. Events after the end of the reporting period

There were no material or significant events that occurred in the period from 31 March 2019 to the date of reporting that would require adjustment to or disclosure in the financial statements.

12. Ultimate parent undertaking and controlling party

The company's immediate parent is ES Hague B.V., a company incorporated in the Netherlands.

From 1 April 2017 the ultimate parent company and controlling party and the smallest and largest undertaking, which consolidates these financial statements, is DXC Technology Company, which is incorporated in the United States of America. Copies of the group financial statements of DXC Technology Company can be obtained from 1775 Tysons Boulevard, Tysons, VA 22102, USA.