

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 75563 / July 30, 2015

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3672 / July 30, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16709

In the Matter of

Christopher Edwards, CA,
Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO RULE
102(e) OF THE COMMISSION'S RULES OF
PRACTICE, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Christopher Edwards (“Respondent” or “Edwards”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Christopher Edwards, 32, a citizen and resident of the United Kingdom, was a Finance Manager in Computer Science Corporation’s Nordic region from December 2008 to June 2010. He left the company in October 2010. Edwards is a Chartered Accountant in the United Kingdom.

2. Computer Sciences Corporation (“CSC”), a Nevada corporation headquartered in Falls Church, Virginia, sells information technology services. At all relevant times, CSC’s common stock traded on the New York Stock Exchange.

3. On June 5, 2015, the Commission filed a complaint in the United States District Court for the Southern District of New York against Edwards in Securities and Exchange Commission v. Christopher Edwards, Civil Action Number 15-cv-4339 (RA). On July 24, 2015, the court entered an order permanently enjoining Edwards, by consent, from future violations of Sections 17(a)(1) and (3) of the Securities Act of 1933 (“Securities Act”) and Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 10b-5(a) and (c) and 13b2-1 promulgated thereunder, and from aiding and abetting future violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act and Rules 13a-1 and 13a-13 promulgated thereunder. Edwards was also barred from acting as an officer or director of any public company pursuant to Section 20(e) of the Securities Act and Section 21(d)(2) of the Exchange Act for a period of four years.

4. The Commission’s complaint alleged that Edwards fraudulently inflated CSC’s earnings in its fiscal year 2010. Edwards recorded and maintained large amounts of “prepaid assets” on CSC’s balance sheet that the company was instead required to record as expenses on its income statement. By doing so, Edwards artificially and materially overstated CSC’s earnings. As a Finance Manager, Edwards was responsible for ensuring that the company recorded these expenses consistent with Generally Accepted Accounting Principles (“GAAP”). Instead, Edwards’s actions resulted in CSC fraudulently overstating its consolidated operating

income by 5% for the first quarter of fiscal year 2010, and in the company materially overstating the operating income of one of its reportable segments in each quarter of that fiscal year.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Edwards' Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Edwards is suspended from appearing or practicing before the Commission as an accountant.

B. After four years from the date of this order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent's work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the respondent's or the firm's quality control system that would indicate that the respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his practicing license is current and he has resolved all other disciplinary issues with the Association of Certified Chartered Accountants. However, if licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Brent J. Fields
Secretary