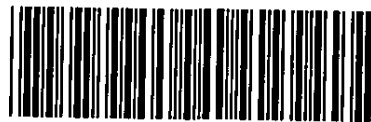


# **RRXIL Limited**

## **Directors' Report And Financial Statements for the year ended 31 December 2009**

SATURDAY



\*AASUJNBN\*

A48

11/09/2010

443

COMPANIES HOUSE

# **RRXIL Limited**

## **Directors' Report and Financial Statements for the year ended 31 December 2009**

### **Directors**

M.J.Barrett  
C.M.Albright

### **Company Secretary**

M.J.Barrett

### **Registered Office**

Bridge House  
Oxford Road  
Uxbridge  
Middlesex  
UB8 1HS

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
The Atrium  
1 Harefield Road  
Uxbridge  
UB8 1EX

### **Registered Number**

2834898

# **RRXIL LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2009**

The Directors present their report together with the audited financial statements of RRXIL Limited (the "Company"), for the year ended 31 December 2009.

#### **1. PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The Company did not trade during the year and is not expected to trade in the foreseeable future.

In 1997, Xerox Corporation, the ultimate parent company, purchased the entire share capital of The Rank Organisation Limited, now XRO Limited, from The Rank Group Plc. At the time of acquisition, The Rank Organisation Limited and its subsidiary companies had a number of outstanding contingent liabilities, including guarantees. The Rank Group Plc has provided the Company with an unlimited indemnity in respect of any loss arising from these contingent liabilities and guarantees

#### **2. RESULTS AND DIVIDENDS**

The loss for the financial year was £17m (2008: £2m) including dividend income of £nil (2008: £nil). During the financial year the Directors did not propose or pay a dividend (2008: £nil) (Note 3 (D)). The retained loss for the year was £17m (2008: £2m).

#### **3. DIRECTORS**

The Directors of the Company, at the date of signing the financial statements are listed on page 2. C M. Albright was appointed on 26 April 2010 and M R Festa resigned with effect from the same date.

#### **4. STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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

**RRXIL LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)**

**4. STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

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.

**5. STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

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

- (1) in so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (2) the Director has taken all steps that he ought to have taken as a Director in order to make himself aware of any 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 of the Companies Act 2006.

**6. GOING CONCERN**

These financial statements have been prepared on a going concern basis. In preparing these financial statements, the Directors have assessed that the Company will continue in operational existence for the foreseeable future and have received a letter of support from Xerox Investments Europe B V.

**7. INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board 2 September 2010



M.J.Barrett  
Company Secretary

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RRXIL LIMITED**

We have audited the financial statements of RRXIL Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, reconciliation of movements in shareholders' funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of, whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its loss 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RRXIL LIMITED (continued)**

### **Matters on which we are required to report by exception**

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

- 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.

Gregory Briggs (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
West London Office

2 September 2010

**RRXIL LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 £m	2008 £m
Income from shares in group undertakings		-	-
Interest payable	3A	-	-
<b>Profit on ordinary activities before taxation</b>		-	-
Taxation on profit on ordinary activities	3B	(17)	(2)
<b>Loss for the financial year</b>	7	<b>(17)</b>	<b>(2)</b>

There is no material difference between the reported loss above and their historic cost equivalents.

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

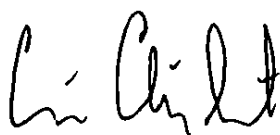
The above results relate to continuing operations.

**RRXIL LIMITED  
BALANCE SHEET  
AS AT 31 DECEMBER 2009**

	<i>Note</i>	<b>2009 £m</b>	<b>2008 £m</b>
<b>Current assets</b>			
Debtors due within one year	2	6	-
Debtors due after more than one year	4	1,812	1,812
<b>Creditors due within one year</b>	5	<b>(27)</b>	<b>(4)</b>
<b>Net current assets / (liabilities)</b>		<b>1,791</b>	<b>1,808</b>
<b>Net assets</b>		<b>1,791</b>	<b>1,808</b>
<b>Capital and reserves</b>			
Called up share capital	6A	3	3
Share premium account	7	1,566	1,566
Profit and loss account	7	222	239
<b>Total equity shareholders' funds</b>		<b>1,791</b>	<b>1,808</b>

The financial statements on pages 7 to 14 were approved by the Board of Directors on 2 September 2010 and signed on its behalf by

C M. Albright  
Director



**Company Registered Number 2834898**



**RRXIL LIMITED**  
**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 £m	2008 £m
Loss for the financial year	(17)	(2)
Dividends	-	-
<b>Net decrease in shareholders' funds</b>	<b>(17)</b>	<b>(2)</b>
Opening equity shareholders' funds	1,808	1,810
<b>Closing equity shareholders' funds</b>	<b>1,791</b>	<b>1,808</b>

**RRXIL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2009**

**1. PRINCIPAL ACCOUNTING POLICIES**

The Company's accounting policies are summarised below.

**(A) Accounting principles and basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

In preparing these financial statements, the Directors have assessed that the Company will continue in operational existence for the foreseeable future and in any event for a period of at least 12 months from the date of signing the financial statements.

**(B) Disclosures - Cash Flow Statement**

The Company is a wholly owned subsidiary company of a group headed by Xerox Corporation, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the Company has taken advantage of the exemption within FRS 1 'Cash Flow Statements (revised 1996)' from preparing a Cash Flow Statement.

**(C) Disclosures – Related Parties**

Under paragraph 3(C) of Financial Reporting Standard 8 - Related Party Disclosures, the Company is exempt from the requirement to disclose transactions with other entities and investees within the group headed by Xerox Corporation as it is a wholly owned subsidiary of Xerox Corporation, whose financial statements are publicly available.

**RRXIL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2009 (continued)**

**2. DEBTORS - due within one year**

	2009 £m	2008 £m
Current Tax	6	-

**3. PROFITS FOR THE FINANCIAL YEAR AND DIVIDENDS**

**(A) Interest payable**

	2009 £m	2008 £m
To group undertakings	-	-

**(B) Tax on profit on ordinary activities**

**a) Analysis of charge / (credit) in period:**

	2009 £m	2008 £m
United Kingdom corporation tax		
Current tax at 28% (2008:28.5%)	(6)	-
Adjustment in respect of previous periods	23	2
Deferred tax	-	-
<b>Tax on profit on ordinary activities</b>	<b>17</b>	<b>2</b>

**b) Factors affecting the tax charge for the period:**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (28%) The differences are explained below:

	2009 £m	2008 £m
<b>Profit on ordinary activities before tax</b>	<b>-</b>	<b>-</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008:28.5%)	-	-
Group relief	(27)	(30)
Imputed interest	27	30
Utilisation of tax losses	(6)	-
Prior Year adjustment to tax on profit on ordinary activities	23	2
<b>Total current tax charge</b>	<b>17</b>	<b>2</b>

**RRXIL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2009 (continued)**

**3. PROFITS FOR THE FINANCIAL YEAR AND DIVIDENDS (continued)**

Factors affecting current and future tax charges:

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement. The Finance (No 2) Act 2010 enacted on 27 July 2010 includes legislation that reduces the main rate of corporation tax from 28% to 27% from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

Interest is imputed on £1,812m of interest free amounts due from group undertakings, in accordance with the transfer pricing rules set out in Schedule 28AA ICTA 1988. This is offset by group relief claimed from group companies at nil charge.

**(C) Loss for the financial year**

The loss for the financial year was £17m (2008: £2m). There are two directors to whom retirement benefits are accruing under defined benefit schemes (2008: two). The accrued pension at the end of the year within the defined benefit scheme was less than £1m (2008: less than £1m). The aggregate emoluments of £1m (2008: £1m) in relation to the Directors' remuneration for services provided to the Company are paid by a fellow group subsidiary, Xerox Limited. The aggregate of emoluments of the highest paid Director was less than £1m (2008: less than £1m). There is no accrued pension at the end of the year for the highest paid director within the defined benefit scheme (2008: £nil). Auditors' remuneration of £5k is borne by a fellow group subsidiary, Xerox Limited. This treatment is consistent with the prior year. There were no employees of the Company during the year (2008: none)

**(D) Dividends**

There is no dividend proposed or paid during the financial year (2008: £nil). There is no final dividend proposed. Retained profit for the year is £nil (2008: £nil)

**4. DEBTORS - due after more than one year**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Amounts owed by Xerox Group undertakings	1,812	1,812

The amounts owed by group undertaking are interest free and have no fixed date of repayment.

**RRXIL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2009 (continued)**

**5. CREDITORS - due within one year**

	2009 £m	2008 £m
Amounts due to Xerox Group undertakings	27	2
Current Tax	-	2
	27	4

**6. CALLED UP SHARE CAPITAL**

**(A) The Company's share capital**

	Authorised £m	Allotted and fully paid 2009 £m	Allotted and fully paid 2008 £m
9m 'A' Ordinary shares £1 each	9	3	3
3m 'B' Ordinary shares 25p each	0.8	0.3	0.3
	9.8	3.3	3.3

**(B) Rights of shares**

All classes of shares are non-redeemable equity shares. The rights of each class are as follows:

Class A shareholders are entitled to be paid 50.1% of any dividends to be distributed.

An A shareholder is entitled to one vote, whether on a show of hands or by a poll vote, for every A share that he holds.

Class B shareholders are entitled to be paid 49.9% of any dividends to be distributed.

A B shareholder is entitled to one vote on a show of hands and three votes on a poll for every share that he holds.

Both A and B shareholders are entitled to repayment of their capital on winding up. A shareholders are entitled to be paid 50.1% of any shortfall or surplus available for distribution, and B shareholders are entitled to be paid 49.9% of any such distribution.

All distributions for both A and B shareholders are to be made in proportion to the amount paid up in respect of the nominal value of their respective A or B shares.

**RRXIL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2009 (continued)**

**7. PROFIT AND LOSS ACCOUNT AND SHARE PREMIUM**

	<b>2009</b>	<b>2009</b>
	<b>Share Premium</b>	<b>Profit and Loss</b>
	<b>Account</b>	<b>Account</b>
	<b>£m</b>	<b>£m</b>
Balance at 1 January	1,566	239
Loss retained for the year	-	(17)
<b>Balance at 31 December</b>	<b>1,566</b>	<b>222</b>

**8. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate parent company, controlling party and the largest group in which the results of RRXIL Limited are consolidated is that of Xerox Corporation, which is incorporated in the United States of America. Copies of the Xerox Corporation Annual Report and financial statements may be obtained from The Investor Relations Department, Xerox Corporation, 45 Glover Avenue, PO Box 4505, Norwalk, Connecticut 06856-4505, U.S.A ; World Wide Web <http://www.xerox.com>.

The smallest group in which the results of RRXIL Limited are consolidated is that of Xerox Investments Europe B.V, which is registered in The Netherlands. Copies of the Xerox Investments Europe B.V. Annual Report and financial statements are available from Xerox Investments Europe B.V, De Corridor 5, 3621 ZA Breukelen NL, PO Box 117, 3620 AC Breukelen NL, The Netherlands