

# **Ridgian Limited**

**Annual report and financial statements**

**Registered Number 03510299**

**31 March 2017**



<b>CONTENTS</b>	<b>Page</b>
<b>Company Information</b>	<b>2</b>
<b>Directors' report</b>	<b>3</b>
<b>Statement of Directors' responsibilities in respect of the Directors' Report and Financial Statements</b>	<b>4</b>
<b>Independent auditor's report to the members of Ridgian Ltd</b>	<b>5</b>
<b>Profit and Loss Account</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Statement of changes in Equity</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9</b>

**COMPANY INFORMATION**

**SECRETARY:** Mrs N C Downing

**REGISTERED OFFICE:** 800 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7YL

**REGISTERED NUMBER:** 03510299 (England and Wales)

**AUDITOR:** KPMG LLP  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

**DIRECTORS' REPORT**

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the supply of IT professional services and product based solutions.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors who held office during the year were as follows:

Mr J L Betteridge (resigned 30 April 2017)

Mr R M Hewitt

Mr P J Keoghan

Mr I P Winham (resigned 30 April 2016)

**PROPOSED DIVIDEND**

The directors do not recommend payment of a dividend (2016: £nil).

**POLITICAL CONTRIBUTIONS**

The Company made no political donations during the year (2016: £nil).

**DISCLOSURE OF INFORMATION TO AUDITOR**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

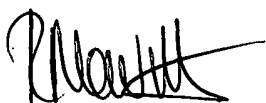
**OTHER INFORMATION**

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Notes to the financial statements.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**BY ORDER OF THE BOARD:**



Mr R M Hewitt - Director

28 September 2017

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**BY ORDER OF THE BOARD:**



Mr R M Hewitt - Director

28 September 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIDGIAN LIMITED**

We have audited the financial statements of Ridgian Limited for the year ended 31 March 2017 set out on pages 6 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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, and express an opinion on, 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.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **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 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

### **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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



**John Edwards (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
28 September 2017

**PROFIT AND LOSS ACCOUNT**

	Notes	2017 £	2016 £
<b>TURNOVER</b>	2	<b>4,227,144</b>	3,792,977
Cost of sales		<u>(3,014,606)</u>	<u>(2,888,906)</u>
<b>GROSS PROFIT</b>		<b>1,212,538</b>	904,071
Administrative expenses		<u>(882,737)</u>	<u>(789,742)</u>
<b>OPERATING PROFIT</b>	3	<b>329,801</b>	114,329
Interest payable and similar expenses		<u>-</u>	<u>(755)</u>
<b>PROFIT BEFORE TAXATION</b>		<b>329,801</b>	113,574
Tax charge on profit	7	<u>(105,596)</u>	<u>(2,201)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>224,205</b></u>	<u>111,373</u>

The accompanying notes on pages 9 to 18 are an integral part of this financial statement.

All results are generated from continuing operations.

The prior year comparative profit and loss account for the year ended 31 March 2016 has been prepared under FRS102 – please refer to note 20 which shows a reconciliation between this and the prior year financial statements.

The notes form part of these financial statements

**RIDGIAN LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

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**BALANCE SHEET**

		2017	2016
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	8	128,853	163,786
<b>CURRENT ASSETS</b>			
Debtors	9	1,510,108	1,161,373
Cash at bank		<u>329,561</u>	<u>296,800</u>
		1,839,669	1,458,173
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>(1,148,433)</u>	<u>(1,022,862)</u>
<b>NET CURRENT ASSETS</b>		<u>691,236</u>	<u>435,311</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>820,089</b>	<b>599,097</b>
<b>PROVISIONS FOR LIABILITIES</b>	12	<u>(15,267)</u>	<u>(18,480)</u>
<b>NET ASSETS</b>		<u><b>804,822</b></u>	<u><b>580,617</b></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	2,890	2,890
Profit and loss account		<u>801,932</u>	<u>577,727</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><b>804,822</b></u>	<u><b>580,617</b></u>

The accompanying notes on pages 9 to 18 are an integral part of this financial statement.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the FRS 102 Section 1A Small Entities. The prior year comparative balance sheet has been prepared under FRS102 and a reconciliation is shown in note 20 between this and the prior year financial statements.

The financial statements were approved by the Board of Directors on 28 September 2017 and were signed on its behalf by:



Mr R M Hewitt - Director

The notes form part of these financial statements



**STATEMENT OF CHANGES IN EQUITY**

	<b>Share Capital</b>	<b>Profit &amp; Loss Account</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance as at 1 April 2015	<b>2,868</b>	<b>479,654</b>	<b>482,522</b>
New Shares Issued	<b>22</b>	<b>-</b>	<b>22</b>
Profit for the year and total comprehensive income	<b>-</b>	<b>111,373</b>	<b>111,373</b>
Dividends	<b>-</b>	<b>(13,300)</b>	<b>(13,300)</b>
	<hr/>	<hr/>	<hr/>
Balance as at 31 March 2016	<b>2,890</b>	<b>577,727</b>	<b>580,617</b>
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	<b>Share Capital</b>	<b>Profit &amp; Loss Account</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance as at 1 April 2016	<b>2,890</b>	<b>577,727</b>	<b>580,617</b>
Profit for the year and total comprehensive income	<b>-</b>	<b>224,205</b>	<b>224,205</b>
	<hr/>	<hr/>	<hr/>
Balance as at 31 March 2017	<b>2,890</b>	<b>801,932</b>	<b>804,822</b>
	<hr/>	<hr/>	<hr/>

The accompanying notes on pages 9 to 18 are an integral part of this financial statement.

The notes form part of these financial statements

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. ACCOUNTING POLICIES**

Ridgian Limited is a private company limited by shares and incorporated and domiciled in the UK.

Under Part 15 and Chapter 1 of Part 16 of the Companies Act 2006 the Company is required to prepare and have audited an annual report and financial statements. Under the Companies Act, the Company has the choice whether their financial statements are prepared under that applicable law and either UK Accounting Standards (UK Generally Accepted Accounting Practice) or International Financial Reporting Standards (IFRSs) as adopted by the EU. The Company has decided to apply UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made two measurement and recognition adjustments, therefore a transition note presented – please refer to note 20.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102. No exemptions have been taken in these financial statements.

The Company's intermediate parent undertaking, Ricoh Europe Holdings PLC includes the Company in its consolidated financial statements. The consolidated financial statements of Ricoh Europe Holdings PLC are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from 20 Triton Street, London NW1 3BF. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Ricoh Europe Holdings PLC include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

As a 100% owned subsidiary of Ricoh Europe Holding PLC the Company has taken advantage of the exemption available under FRS102 Section 33. 1A: Related Party Disclosures, which enable it to exclude disclosure of transactions with Ricoh Europe Holding and its wholly owned subsidiaries.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under UK GAAP for derecognition of financial assets and liabilities before the date of transition, hedge accounting for any hedging relationships that no longer existed at the date of transition, accounting estimates or discontinued operations.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in Operational existence for the foreseeable future, based upon expected sales volumes and existing cash resources. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

### ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

### TURNOVER

Turnover is the total amount receivable by the company for the provision of goods and services rendered to clients during the year which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

### TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short Leasehold	- over period of lease
Fixtures & Fittings	- 25% on cost and 20% on cost
Computer Equipment	- 33.33% on cost

### DEFERRED TAX

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

### FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

### PENSIONS

The company operates defined contribution pension schemes. Contributions payable for the year are charged in the profit and loss account.

### OPERATING LEASES

Rentals paid under operating leases are charged to the profit and loss and account on a straight-line basis over the period of the lease.

## 2. TURNOVER

The turnover, which arises in the United Kingdom, is attributable to the company's principle activity. All turnover derives from Rendering of Services. There are no sale of goods.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	<b>2017</b>	2016
	<b>£</b>	£
Depreciation - owned assets	<b>45,167</b>	47,474
Other operating lease rentals	<b>89,136</b>	89,892
Auditor's remuneration	<b><u>6,000</u></b>	<u>6,000</u>

**4. STAFF COSTS**

Staff costs including directors' remuneration, were as follows:

	<b>2017</b>	2016
	<b>£</b>	£
Wages and salaries	<b>2,320,407</b>	2,281,886
Other pension costs	<b><u>195,011</u></b>	<u>191,843</u>
	<b><u>2,515,418</u></b>	<u>2,473,729</u>

**5. AVERAGE NUMBER OF EMPLOYEES**

Average number of employees, including directors, during the year was as follows:

	<b>2017</b>	2016
	<b>No.</b>	No.
Office and administration	<b>2</b>	2
Sales and marketing	<b>8</b>	7
Technical and delivery	<b><u>38</u></b>	<u>39</u>
	<b><u>48</u></b>	<u>48</u>

**6. DIRECTORS REMUNERATION**

	<b>2017</b>	2016
	<b>£</b>	£
Directors' remuneration	<b>103,000</b>	119,907
Directors' pension contributions to money purchase schemes	<b><u>7,725</u></b>	<u>11,036</u>

The number of directors to whom retirement benefits were accruing was as follows:

	<b>1</b>	1
Money purchase schemes	<b><u>1</u></b>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. TAXATION

Recognised in the income statement

	2017 £	2016 £
<i>United Kingdom corporation tax:</i>		
Corporation tax based on the profit for the year	65,540	2,000
Adjustment in respect of previous years	<u>43,269</u>	<u>(293)</u>
Total current tax charge	108,809	1,707
<i>Deferred tax</i>		
Origination and reversal of temporary differences	(2,972)	494
Adjustment in respect of previous periods	(1,937)	-
Effect of change in tax rate on deferred tax balances	<u>1,696</u>	<u>-</u>
	<u>(3,213)</u>	<u>494</u>
Total income tax expense on profit on ordinary activities	<u>105,596</u>	<u>2,201</u>

Reconciliation of effective tax rate

	2017 £	2016 £
The current tax charge for the year is higher (2016: lower) than the standard Rate of corporation tax in the UK of 20% (2016:20%). The differences are explained below.		
Profit on ordinary activities before tax	329,801	113,574
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2016: 20%)	65,960	22,715
Effects of:		
Expenses not deductible for tax purposes	-	(20,221)
Adjustments to tax charge in respect of previous periods	41,332	(293)
Effect of tax rate change on deferred tax balances	1,696	-
Tangible asset difference	<u>(3,392)</u>	<u>-</u>
Total tax expense for the year (see above)	<u>105,596</u>	<u>2,201</u>

Factors affecting the future tax charge

The UK corporation tax rate reduction from 21% to 20% (effective 1 April 2015) was enacted in 2013. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted as part of the Finance (no 2) Act 2015 on 26 October 2015. This will impact the Company's future current tax charge accordingly. Deferred taxes have been measured using appropriate rates substantively enacted at the balance sheet date.

The Chancellor also proposed changes to further reduce the main rate of corporation tax from 18% to 17% from 1 April 2020. These changes have not yet been substantively enacted and therefore are not included within the figures above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. TANGIBLE FIXED ASSETS

	Short Leasehold £	Fixtures & Fittings £	Computer Equipment £	Totals £
<b>COST</b>				
At 1 April 2016	133,192	65,337	151,246	349,775
Additions	-	3,167	7,067	10,234
At 31 March 2017	<u>133,192</u>	<u>68,504</u>	<u>158,313</u>	<u>360,009</u>
<b>DEPRECIATION</b>				
At 1 April 2016	36,154	41,022	108,813	185,989
Charge for year	<u>13,314</u>	<u>10,295</u>	<u>21,558</u>	<u>45,167</u>
At 31 March 2017	<u>49,468</u>	<u>51,317</u>	<u>130,371</u>	<u>231,156</u>
<b>NET BOOK VALUE</b>				
At 31 March 2017	<u>83,724</u>	<u>17,187</u>	<u>27,942</u>	<u>128,853</u>
At 31 March 2016	<u>97,038</u>	<u>24,315</u>	<u>42,433</u>	<u>163,786</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	1,448,182	1,099,460
Corporation tax	-	10,731
Prepayments and accrued income	<u>61,926</u>	<u>51,182</u>
	<u>1,510,108</u>	<u>1,161,373</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Amounts due to related parties	59,916	137,247
Trade creditors	30,217	75,548
Corporation tax	100,078	2,000
Social security and other taxes	583,827	536,710
Other creditors	16,096	16,032
Accruals and deferred income	358,299	255,325
	<u>1,148,433</u>	<u>1,022,862</u>

11. OPERATING LEASE COMMITMENTS

Non-cancellable operating lease rentals are payable as follows:

	2017	2016
	£	£
Less than one year	50,136	50,136
Between one and five years	200,544	200,544
More than five years	50,136	100,272
	<u>300,816</u>	<u>350,952</u>

Operating lease payables comprise property. The above note discloses the total commitments due whereas the prior year note disclosed the annual commitments due. The comparative period has been adjusted accordingly.

During the year £50,136 was recognised as an expense in the income statement in respect of operating leases (2016: £50,136).

12. DEFERRED TAX

	2017	2017	2016	2016	2017	2016
	Asset	Liability	Asset	Liability	Total	Total
	£	£	£	£	£	£
Deferred tax						
Accelerated depreciation for tax purposes	-	15,267	-	26,000	15,267	26,000
Short term timing differences	-	-	(7,520)	-	-	(7,520)
Deferred tax (asset) / liability	<u>-</u>	<u>15,267</u>	<u>(7,520)</u>	<u>26,000</u>	<u>15,267</u>	<u>18,480</u>
Reconciliation of movements in deferred tax						
			31 March 2016	Recognised in profit & loss		31 March 2017
Accelerated depreciation for tax purposes			26,000	(10,733)		15,267
Short term timing differences			(7,520)	7,520		-
			<u>18,480</u>	<u>(3,213)</u>		<u>15,267</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
20,000	Ordinary A	£0.01	200	200
2,380	Ordinary B	£1.00	2,380	2,380
2,880	Ordinary C	£0.10	288	288
2,222	Ordinary D	£0.01	22	22
			<u>2,890</u>	<u>2,890</u>

Ordinary B and Ordinary C shares have no voting rights and no rights to a final dividend upon winding up. Each class of share is entitled to dividends at the discretion of the directors.

**14. PENSION COMMITMENTS**

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds. There were contributions outstanding at the balance sheet date of £16,096 (2016 - £16,032).

**15. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 March 2017 and 31 March 2016:

	2017	2016
	£	£
<b>Mr J L Betteridge</b>		
Balance outstanding at start of year	-	42,135
Amounts repaid	-	(42,135)
Balance outstanding at end of year	<u>-</u>	<u>-</u>
<b>Mr S P Betteridge</b>		
Balance outstanding at start of year	-	11,615
Amounts repaid	-	(11,615)
Balance outstanding at end of year	<u>-</u>	<u>-</u>

These amounts were extended to the directors on an interest free basis, and were fully repaid during the prior year.

**16. RELATED PARTY DISCLOSURES**

During the year dividends were paid to the following directors:

Mr J L Betteridge - £nil (2016 - £1,639).

Mr S P Betteridge - £nil (2016 - £2,868).



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. ULTIMATE CONTROLLING PARTY**

The company is a wholly owned subsidiary of Ricoh UK Limited, a company registered in England and Wales. The ultimate parent undertaking at 31 March 2017 was Ricoh Company, Ltd. incorporated in Japan.

The parent undertaking of the smallest group for which consolidated accounts are prepared, and in which the results of the Company are included, is Ricoh Europe Holdings PLC. Copies of these consolidated accounts can be obtained from 20 Triton Street, London NW1 3BF. The parent undertaking of the largest group is Ricoh Company, Ltd. Copies of the consolidated financial statements can be obtained from Ricoh Building, 8-13-1 Ginza, Chuo-ku, Tokyo 104-8222 Japan.

**18. TRANSITION TO FRS 102**

The company prepares its first financial statements that comply with FRS 102 for the year ended 31 March 2017. The company's date of transition to FRS 102 is 1 April 2016. The effect of the transition is set out in note 20.

**19. SUBSEQUENT EVENTS**

As part of a group reconstruction, on 1 May 2017, the Company commenced the transfer of its trade and assets to Ricoh UK Limited, its immediate parent undertaking. Once complete, Ridgian Limited is expected to become a non-trading dormant entity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20: EXPLANATION OF TRANSITION TO FRS102 FROM UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102. The accounting policies set out in note 1 and have been applied in preparing the financial statements for the year ended 31 March 2017 and the comparative information presented in these financial statements for the year ended 31 March 2016.

In preparing its FRS 102 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 102 has affected the Company's financial position and financial performance is set out in the following tables and the notes that accompany the tables. Reconciliations provided shall, to the extent practicable, distinguish the correction of errors from changes in accounting policies.

Reconciliation of equity

	Note	1 April 2015			31 March 2016		
		UK GAAP	Effect of transition to FRS 102	FRS 102	UK GAAP	Effect of transition to FRS 102	FRS 102
		£	£	£	£	£	£
<b>Fixed assets</b>							
Tangible fixed assets		161,085	-	161,085	163,786	-	163,786
<b>Current assets</b>							
Debtors (due with one year)		1,036,055	-	1,036,055	1,161,373	-	1,161,373
Cash at bank and in hand		51,814	-	51,814	296,800	-	296,800
		1,087,869	-	1,087,869	1,458,173	-	1,458,173
<b>Creditors: amounts due within one year</b>	A	(723,378)	(25,068)	(748,446)	(985,260)	(37,602))	(1,022,862)
<b>Net current assets</b>		364,491	(25,068)	339,423	472,913	(37,602))	435,311
<b>Total assets less current liabilities</b>		525,576	(25,068)	500,508	636,699	(37,602))	599,097
<b>Provisions for liabilities</b>							
Deferred tax liability	B	(23,000)	5,014	(17,986)	(26,000)	7,520	(18,480)
<b>Net assets/[liabilities]</b>		502,576	(20,054)	482,522	610,699	(30,082)	580,617
<b>Capital and reserves</b>							
Called up share capital		2,868	-	2,868	2,890	-	2,890
Profit and loss account		499,708	(20,054)	479,654	607,809	(30,082)	577,727
<b>Shareholders' equity</b>		502,576	(20,054)	482,522	610,699	(30,082)	580,617

Notes to the reconciliation of equity

A The treatment of the rental lease has been to extend the lifetime of the rent-free period over the full length of the lease. This has resulted in an increase in cost in both the financial year and comparative period.

B Deferred taxation has been adjusted in respect of the short term timing differences arising from the increase in rent.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. EXPLANATION OF TRANSITION TO FRS102 FROM UK GAAP  
(continued)

*Reconciliation of profit and equity from UK GAAP to FRS 102*

	Note	Profit for the year ended 31 March 2016 £	Equity as at 31 March 2016 £	Equity as at 1 April 2015 £
Amount under UK GAAP		121,401	610,699	502,576
Effect of change of rental accounting policy	a	(12,534)	(37,602)	(25,068)
Deferred taxation on the above change	b	2,506	7,520	5,014
Amount under FRS 102		<u>111,373</u>	<u>580,617</u>	<u>482,522</u>

*Notes to the reconciliation of profit and loss*

- a) This is in respect of the change in accounting policy for recognition of the rent free period, to spread the rent free period over the entirety of the lease.
- b) This is the effect of short term timing differences in respect of deferred taxation resulting from the increase in rent.