

**NCR UK HOLDINGS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2009**

**Registered number 4098545**



# **NCR UK HOLDINGS LIMITED**

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# **NCR UK HOLDINGS LIMITED**

## **COMPANY INFORMATION**

### **Directors**

John Curnow  
Rachel Nash  
Elton Birden

### **Company Secretary**

Caroline Kee

### **Registered office**

100 New Bridge Street  
London  
EC4V 6JA

### **Independent Auditors**

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

# **NCR UK HOLDINGS LIMITED**

**(REGISTERED NUMBER 4098545)**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009**

The directors present their annual report and the audited consolidated financial statements of NCR UK Holdings Limited ("the company") for the year ended 31 December 2009

### **Principal activities, business review and future developments**

The principal activity of the company is the sale and support of business information systems in the retail, financial and communications sectors. However, all the sales and employees contracts have been transferred to NCR Limited and any new contracts are also signed by NCR Limited and as a result no revenue or related costs is incurred by NCR UK Holdings Limited. The company is expected to become dormant in the near future.

### **Results and Dividends**

Company's loss on ordinary activities after taxation amounted to £3,708,000 (2008 £4,740,000)

Accumulated losses brought forward amounted to £197,969,000 (2008 £193,229,000) and after deducting sustained losses and allowing for other gains and losses, £201,677,000 (2008 £197,969,000)

The directors do not recommend the payment of a dividend (2008 £nil)

### **Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support from the ultimate parent company, NCR Corporation. The directors have received confirmation that NCR Corporation intends to support the company for at least one year after these financial statements are signed.

### **Directors**

Directors who served during the year and up to the date of signing the financial statements are as follows:

Keith Rowling (resigned on 31 May 2009)  
John Curnow  
Rachel Nash  
Elton Birden (appointed on 5 February 2009)

### **Key performance indicators ("KPI")**

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the company.

### **Financial risk management**

The company's operations expose it to a variety of financial risks that include the effects of changes in liquidity risk and interest rate risk. NCR Group at corporate level (NCR Corporation) has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs which includes NCR group companies in the United Kingdom. The policies set by the group are implemented by the group's treasury department. The department has a policy and procedures manual that sets out specific guidelines to manage interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

#### **Liquidity risk**

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

#### **Interest rate risk**

The company has interest bearing liabilities in the form of amount owed to other group companies and overdraft balances, all of which incur interest at fixed rate or pre-defined range of rates to minimize cash flows fluctuation. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

# **NCR UK HOLDINGS LIMITED**

**(REGISTERED NUMBER 4098545)**

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

### **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 prepared 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 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,

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.

### **Disclosure of information to Auditors**

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

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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 s418 of the Companies Act 2006.

### **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.

On behalf of the Board,

Director  
Date

  
30/09/10

## **NCR UK HOLDINGS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NCR UK HOLDINGS LIMITED**

We have audited the financial statements of NCR UK Holdings Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

As explained more fully in the statement of directors' responsibilities set out on page 2, 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.

#### **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.

Alison Cashmore (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Thames Valley  
Date 30/9/10

**NCR UK HOLDINGS LIMITED**

**(REGISTERED NUMBER 4098545)**

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

	Notes	2009 £'000	2008 £'000
Administrative expenses		<u>(8)</u>	<u>(1,519)</u>
Operating loss		(8)	(1,519)
Interest payable and similar charges	5	<u>(4,213)</u>	<u>(4,126)</u>
Loss on ordinary activities before taxation	6	(4,221)	(5,645)
Tax on loss on ordinary activities	7	<u>513</u>	<u>905</u>
Loss for the financial year	13	<u>(3,708)</u>	<u>(4,740)</u>

All amounts relate to continuing operations

The company has no material recognised gains and losses other than result above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents

# NCR UK HOLDINGS LIMITED

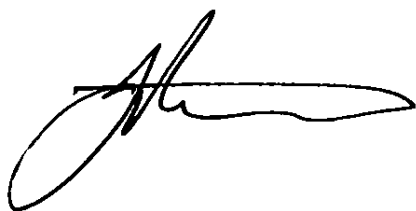
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## BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
<b>Fixed assets</b>			
Investments	8	-	-
<b>Current assets</b>			
Debtors	9	<u>11,898</u>	<u>11,385</u>
<b>Current liabilities</b>			
Creditors : Amounts falling due within one year	10	<u>(64,798)</u>	<u>(60,577)</u>
<b>Net current liabilities</b>		<u>(52,900)</u>	<u>(49,192)</u>
<b>Total assets less current liabilities</b>		<u>(52,900)</u>	<u>(49,192)</u>
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(48,496)</u>	<u>(48,496)</u>
<b>Net liabilities</b>		<u>(101,396)</u>	<u>(97,688)</u>
<b>Capital and reserves</b>			
Share capital	12	100,281	100,281
Profit and loss account	13	<u>(201,677)</u>	<u>(197,969)</u>
<b>Total shareholders' deficit</b>	14	<u>(101,396)</u>	<u>(97,688)</u>

The financial statements on pages 4 to 11 were approved by the board of directors on 20/09/10 and signed on its behalf by

Director



The notes on pages 6 to 11 form part of these financial statements



## NCR UK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

#### 1 *Principal accounting policies*

The principal accounting policies used in the preparation of the company financial statements are summarised below

##### a) Basis of accounting

The financial statements are prepared on a going concern basis and in accordance with applicable United Kingdom accounting standards under the historical cost convention. These statements are in compliance with the Companies Act 2006 and the accounting policies have been applied consistently throughout the year. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company NCR Corporation. The directors have received confirmation that NCR Corporation intends to support the company for at least one year after these financial statements are signed.

##### b) Foreign currencies

Monetary assets and denominated 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 the transaction. All foreign exchange differences have been taken to the profit and loss account in the year.

##### c) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future periods has been entered into by the subsidiary.

Deferred tax is measured at the average tax rates that are expected to apply in the year in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

##### d) Investment

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. The directors perform impairment reviews annually.

##### e) Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## NCR UK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### 1 *Principal accounting policies (continued)*

##### f) Cash flow statements and related party disclosures

The company's ultimate parent company is NCR Corporation (note 2) and its financial statements are included in the consolidated financial statements of NCR Corporation, which are publicly available. Consequently, the company has taken advantage of the exemption from

preparing a cash flow statement under the terms of Financial Reporting Standard 1 "Cash flow statements" (revised 1996), and

disclosing transactions with entities that are part of the NCR Corporation group or investees of the NCR Corporation under the terms of Financial Reporting Standard 8 "Related Party Disclosures"

##### g) Consolidation exemption

The financial statements contain information about NCR UK Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The results of the company and its subsidiaries are included in the consolidated financial statements of NCR Corporation, a company incorporated in the USA. The company considers that these financial statements prepared under US Generally Accepted Accounting Practices, to be equivalent to the requirements of the 7th EU Directive in all material respects and have therefore taken advantage of Companies Act 2006 section 401, and not prepared consolidated financial statements.

#### 2 *Immediate, Ultimate parent undertaking and controlling party*

The immediate parent undertaking is NCR UK Group Limited.

The ultimate parent undertaking and controlling party is NCR Corporation, a company incorporated in the USA.

NCR Corporation is the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2009. The consolidated financial statements of NCR Corporation are available publicly from 1700 South Patterson Boulevard, Dayton, Ohio, USA.

#### 3 *Directors' remuneration*

	2009 £'000	2008 £'000
The emoluments of the Company's director were		
Aggregate Emoluments for executive services	-	203
Pension contributions – Money Purchase Scheme	-	-
Total amount of emoluments	<u>-</u>	<u>203</u>
Highest paid director – aggregate emoluments	-	203
Accrued pension under defined benefit scheme at year end	-	126
Number of directors who are accruing benefits under the defined contribution and defined benefit scheme	-	1

The above emoluments relates to a director who is also an employee of fellow subsidiary NCR Limited. The emoluments are paid by NCR Limited in his capacity as its employee.

The emoluments of Mr Rowling, Mr Curnow, Mrs Nash and Mr Elton are paid by a fellow group company NCR Limited which makes no recharge to the company. Mr Rowling, Mr Curnow, Mrs Nash and Mr Elton are directors of NCR Limited and fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, no emoluments in respect of the directors are disclosed. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of NCR Limited.

# NCR UK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

### 4 *Employees*

	2009 Number	2008 Number
The average monthly number of persons employed by the company during the year, split by activity, were		
United Kingdom	<u>39</u>	<u>36</u>
The total is analysed below		
Engineering and technical support	34	34
Sales	1	-
Management and administrative	<u>4</u>	<u>2</u>
	<u>39</u>	<u>36</u>
	2009	2008
	£'000	£'000
Wages and salaries	1,401	1,444
Social security costs	130	115
Other pension costs (note 16)	<u>163</u>	<u>136</u>
Staff costs	<u>1,694</u>	<u>1,695</u>

These employees are contractually employed by on NCR UK Holdings Limited's but the cost is recognised in NCR Limited's books as all services are provided to NCR Limited. No cost has been taken in NCR UK Holdings Limited's income statement.

Other than the directors, the company did not employ any staff and no staff costs were paid by the company during the financial year under review. The company's administrative activities are carried out by employees from other companies within the NCR Group.

### 5 *Interest payable and similar charges*

	2009 £'000	2008 £'000
Interest payable on overdrafts and bank loans	(10)	(16)
Interest payable to group companies	<u>(4,203)</u>	<u>(4,110)</u>
	<u>(4,213)</u>	<u>(4,126)</u>

### 6 *Loss on ordinary activities before taxation*

Auditors' remuneration is borne by NCR Limited with no charge to the company.

# NCR UK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

### 7 *Tax on loss on ordinary activities*

	2009 £'000	2008 £'000
<b>Current tax :</b>		
United Kingdom corporation tax on profit/(losses) for the year 28% (2008 28.5%)	(404)	(1,047)
Adjustment in respect of prior years	<u>(109)</u>	<u>142</u>
Total UK current tax credit	<u>(513)</u>	<u>(905)</u>
<b>Total tax credit on loss on ordinary activities</b>	<b><u>(513)</u></b>	<b><u>(905)</u></b>

There is no deferred tax

### Factors affecting tax charge for the year

The difference between the total current tax charge shown above and the amount calculated by applying the standard rate of United Kingdom corporation tax 28% (2008 28.5%) to the profit/(loss) before tax is as follows

	2009 £'000	2008 £'000
<b>Profit/(loss) on ordinary activities before taxation</b>	<b><u>(4,221)</u></b>	<b><u>(5,645)</u></b>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 28% (2008 28.5%)	<b>(1,182)</b>	<b>(1,609)</b>

### Effects of:

Expenses not deductible for tax purposes		562
Tax loss not recognized for deferred tax purposes	778	-
Adjustment in respect of prior years	<u>(109)</u>	<u>142</u>
Current tax credit for the year	<u>(513)</u>	<u>(905)</u>

### 8 *Investment*

The company's principal subsidiary undertakings at 31 December 2009 are shown below. All companies are incorporated in Europe, registered in various countries and 100% owned.

The directors have reviewed the 2009 results and the forecast for the following year of its subsidiary and are of the opinion that the carrying value of the investment should remain as nil.

Name	% ownership of ordinary shares	Country of incorporation	Status
4Front Technologies France S A	100%	France	Trading
Sil Service Industries France SARL	100%	France	Dormant
Sil Service Industries Europe SL	100%	Spain	Dormant
Eurographic Industries Limited	100%	United Kingdom	Dormant

The principal activities of trading companies comprises of marketing, installing, and servicing total business information systems.

# NCR UK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

### 8 *Investment (continued)*

#### Movement in investment

	2009 £'000	2008 £'000
<b>Cost:</b>		
At 1 January and 31 December	<u>156,832</u>	<u>156,832</u>
<b>Provision for impairment</b>		
At 1 January and 31 December	<u>(156,832)</u>	<u>(156,832)</u>
<b>Net book value at 31 December</b>	<u>-</u>	<u>-</u>

### 9 *Debtors*

	2009 £'000	2008 £'000
Amounts owed by group undertakings	1,188	1,189
Amounts owed by group undertakings – Group relief	<u>10,710</u>	<u>10,196</u>
	<u>11,898</u>	<u>11,385</u>

The unsecured loans to group and subsidiary undertakings are non- interest bearing and are payable on demand

### 10 *Creditors-Amounts falling due within one year*

	2009 £'000	2008 £'000
Bank overdraft	45,086	43,108
Amounts owed to other group undertakings	19,694	17,451
Other creditors	<u>18</u>	<u>18</u>
	<u>64,798</u>	<u>60,577</u>

The bank overdraft forms part of the UK pooling arrangement with Citibank which allows any individual accounts to be overdrawn as long as the combined balances of the whole group of companies are greater than zero

### 11 *Creditors: amounts falling due after more than one year*

	2009 £'000	2008 £'000
Amounts owed to group undertakings - promissory note	<u>48,496</u>	<u>48,496</u>
<b>Maturity of Debt</b>		
In more than two year, but not more than five years	<u>48,496</u>	<u>48,496</u>

The promissory note is an unsecured internal loan from NCR Limited which bears interest at a fixed rate of 4.62%. This loan is repayable in full on 27 June 2014

# NCR UK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

### 12 *Share capital*

	2009 £'000	2008 £'000
<b>Authorised</b>		
220,000,000 ordinary shares of US \$1 each	149,456	149,456
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>
	<u>149,457</u>	<u>149,457</u>
<b>Issued, allotted and fully paid:</b>		
147,700,000 ordinary shares of US \$1 each	100,281	100,281
1 ordinary share of £1	<u>-</u>	<u>-</u>
	<u>100,281</u>	<u>100,281</u>

Shares issued in US dollars are retranslated to UK sterling at a historical foreign exchange rate of 1.4720

### 13 *Reserves*

	2009 £'000	2008 £'000
<b>Profit and loss account</b>		
As at 1 January	(197,969)	(193,229)
Loss for the financial year	<u>(3,708)</u>	<u>(4,740)</u>
<b>At 31 December</b>	<u>(201,677)</u>	<u>(197,969)</u>

### 14 *Reconciliation of movement in shareholders' deficit*

	2009 £'000	2008 £'000
Opening equity shareholders' deficit	(97,688)	(92,948)
Loss for the financial year	<u>(3,708)</u>	<u>(4,740)</u>
<b>Closing equity shareholders' deficit</b>	<u>(101,396)</u>	<u>97,688</u>

### 15 *Commitments and contingent liabilities*

There are no material commitments and contingent liabilities outstanding at the balance sheet date

### 16 *Pension schemes*

The company participates in the two pension schemes of the hybrid type containing both funded defined benefit and money purchase elements run by NCR Limited and its subsidiary NCR Financial Solution Group Limited

The company's contribution to the scheme has been determined in accordance with the advice of the independent qualified actuaries as at 5<sup>th</sup> April 2006 using the projected unit credit method in respect of the defined benefit scheme. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments, the rates of increase in salaries, pension and the rate of dividend growth

Employees of the company are members of the NCR Limited defined benefit scheme. Full disclosure of the pension scheme is given in the NCR Limited annual report