

Company Registration No. 00324504 (England and Wales)

**XRO LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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# **XRO LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D. M. Benoit R. Pitceathly A. Davies	(Appointed 23 March 2020)
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<b>Company number</b>	00324504
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<b>Registered office</b>	Building 4 Uxbridge Business Park Sanderson Road Uxbridge Middlesex  UB8 1DH
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# **XRO LIMITED**

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# **XRO LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their annual report and financial statements for the year ended 31 December 2020.

#### **Principal activities**

The Company continued to be dormant.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A. Arthurton (Resigned 23 March 2020)

D. M. Benoit

R. Pitceathly

A. Davies (Appointed 23 March 2020)

#### **Results and dividends**

The Company has not traded, received no income and incurred no expenditure during the financial year. Consequently, the Company has made neither a profit nor a loss during the year.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

No preference dividends were paid.

On behalf of the board



A. Davies

Director

Date:

18th September 2021

# XRO LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £m	£m	2019 £m	£m
<b>Fixed assets</b>					
Investments	4		1,571		1,571
<b>Current assets</b>					
Debtors	5	884		884	
<b>Creditors: amounts falling due within one year</b>	6	(2)		(2)	
<b>Net current assets</b>			882		882
<b>Total assets less current liabilities</b>			2,453		2,453
<b>Creditors: amounts falling due after more than one year</b>	7		(46)		(46)
<b>Net assets</b>			2,407		2,407
<b>Capital and reserves</b>					
Called up share capital	8		126		126
Share premium account	9		1,133		1,133
Capital redemption reserve			1		1
Profit and loss reserves			1,147		1,147
<b>Total equity</b>			2,407		2,407

# **XRO LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2020**

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For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 1st September 2021 and are signed on its behalf by:



.....  
A. Davies  
Director

Company Registration No. 00324504

# XRO LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Profit and loss reserves £m	Total £m
Balance at 1 January 2019	126	1,133	1	1,147	2,407
Year ended 31 December 2019: Profit and total comprehensive income for the year	-	-	-	-	-
Balance at 31 December 2019	126	1,133	1	1,147	2,407
Year ended 31 December 2020: Profit and total comprehensive income for the year	-	-	-	-	-
Balance at 31 December 2020	126	1,133	1	1,147	2,407

# **XRO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

XRO Limited is a company limited by shares incorporated in England and Wales. The registered office is Building 4, Uxbridge Business Park, Sanderson Road, Uxbridge, Middlesex, UB8 1DH.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Company is electing under FRS 102 paragraph 35.10(m) to retain its accounting policies for reported assets, liabilities and equity at the date of transition to FRS 102 until there is any change to those balances or the Company undertakes any new transactions. The Company's accounting policies are summarised below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Fixed asset investments**

Investments in subsidiaries are held at purchase cost, less any provisions required where there has been an impairment in the value of the investments (Note 3).

#### **1.4 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.



# XRO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Taxation

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences which 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 recognised 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 measured at the average tax rates expected to apply in the periods 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 an undiscounted basis.

#### 1.6 Share Capital - Preference share capital

Preference share capital is classified as equity if it is non-redeemable and any dividends are discretionary, or is redeemable but only at the company's option. Dividends on preference share capital classified as equity are recognised as distributions within equity.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders or if dividend payments are not discretionary. Dividends thereon are recognised in the income statement as interest expense.

### 2 Profit for the financial year

The Company has not traded, received no income and incurred no expenditure during the financial year. Consequently, the Company has made neither a profit nor a loss during the year.

### 3 Taxation

The charge for the year is reconciled to profit before tax at the standard rate as follows:

	2020 £m	2019 £m
Profit before tax	-	-
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	-	-
Group relief	(5)	(5)
Imputed interest	5	5
Tax charge for the year	-	-

# XRO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Taxation

(Continued)

The previously enacted corporation tax rate reduction from 19% to 17% with effect from 1 April 2020 was cancelled by Budget 2020 resolution.

Following Finance Act 2021, the UK corporation tax rate will increase to 25% with effect from 1st April 2023. The impact of this increase is not expected to be material.

Interest is imputed on £884m (2019: £884m) of interest free amounts due from group undertakings, in accordance with the transfer pricing rules set out in TIOPA 2010 Part 4. This is offset by group relief claimed from group companies at nil charge. There is no provision for deferred tax (2019: £nil).

### 4 Fixed asset investments

	Notes	2020 £m	2019 £m
Investments in subsidiaries		1,571	1,571

### 5 Debtors

	2020 £m	2019 £m
Amounts falling due within one year:		
Amounts due from group undertakings	884	884

The amounts due from group undertakings are interest free and have no fixed date of repayment.

### 6 Creditors: amounts falling due within one year

	2020 £m	2019 £m
Amounts due to group undertakings	2	2

The amounts due from group undertakings are interest free and have no fixed date of repayment.

Refer to Note 7 for further details on Sterling cumulative redeemable preference share of 20p each.

# XRO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Creditors: amounts falling due after more than one year

	Notes	2020 £m	2019 £m
Sterling cumulative redeemable preference shares of 20p each		46	46
		<u>46</u>	<u>46</u>
		2020 £m	2019 £m
<b>Authorised:</b>			
Sterling			
300,000 cumulative redeemable preference shares of 20p each		60	60
		<u>60</u>	<u>60</u>
<b>Issued and fully paid:</b>			
Sterling			
227,552,614 cumulative redeemable preference shares of 20p each		46	46
		<u>46</u>	<u>46</u>

The Company was to redeem the Sterling cumulative redeemable preference shares by 31 July 2007. However, the redemption has been waived for the foreseeable future. Under FRS 25 Financial Instruments, £46m the capital value of 227,552,614 Sterling cumulative redeemable preference shares of 20p each has been presented as non-current liabilities.

### Rights of shares

#### Sterling cumulative redeemable preference shares of 20p each

The Sterling cumulative redeemable preference shares carry no rights to dividends.

The Company was to redeem the Sterling cumulative redeemable preference shares by 31 July 2007 at the rate of 1p for every 20p nominal amount of such shares together with a further sum equal to all arrears and accruals of the preferred dividend thereon. However, the redemption has been waived for the foreseeable future.

On winding-up, the Sterling cumulative redeemable preference shares confer the right to receive out of the assets of the Company, postponed and subject to any payment on the US\$ cumulative redeemable preference shares and pari passu further preference shares but in priority to any other class of shares, 1p for every 20p in nominal amount of the Sterling cumulative redeemable preference shares held, and pari passu with any payment on the Ordinary Shares a sum equal to the amounts which would have been paid on the Ordinary Shares which would have arisen if the Sterling cumulative redeemable preference shares had carried the right to be converted into fully paid Ordinary Shares at 5p in nominal amount of Ordinary Shares for every £1,000 in nominal amount of Sterling cumulative redeemable preference shares. Holders of Sterling cumulative redeemable preference shares have the right to receive notice of general meetings but this does not confer any rights to attend or vote at such meetings.

# XRO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Share capital

	2020 £m	2019 £m
<b>Ordinary share capital</b>		
<b>Authorised - Sterling</b>		
2,400 000,000 Ordinary shares of 10p each	240	240
2,4000,000 US\$ preferred ordinary shares of 1 cent each (see below)	14	14
500,000 US\$ cumulative redeemable preference shres of 1 cent each (see below)	3	6
	<u>257</u>	<u>260</u>
	<u><u>257</u></u>	<u><u>260</u></u>
	<b>2020 \$m</b>	<b>2019 \$m</b>
<b>Ordinary share capital</b>		
<b>Authorised - US Dollar</b>		
2,4000,000 US\$ preferred ordinary shares of 1 cent each (see below)	24	24
500,000 US\$ cumulative redeemable preference shres of 1 cent each (see below)	5	5
	<u>29</u>	<u>29</u>
	<u><u>29</u></u>	<u><u>29</u></u>
	<b>2020 £m</b>	<b>2019 £m</b>
<b>Issued and fully paid</b>		
1,170 000,000 Ordinary shares of 10p each	117	117
US \$ preferred ordinary shares (see below)	7	7
US\$ cumulative redeemable preference shares	2	2
	<u>126</u>	<u>126</u>
	<u><u>126</u></u>	<u><u>126</u></u>
<b>Preference share capital</b>		
<b>Authorised</b>		
500 000,000 US\$ cumulative redeemable preference shares of 0.6p each	3	3
	<b>2020 \$m</b>	<b>2019 \$m</b>
<b>Issued and fully paid - US Dollar</b>		
1,172,378,553 preferred ordinary shares of 1 cent each	12	12
227,552,614 cumulative redeemable preference share of 1 cent each	2	2
	<u>14</u>	<u>14</u>
	<u><u>14</u></u>	<u><u>14</u></u>

# XRO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9 Share premium account

Of the share premium of £1,133,222,000 reported at 2012 year-end, £604,361,000 arose in 1998, when the Company issued £35,389,000 of ordinary and U.S. \$ preferred ordinary shares at a premium of £604,361,000 to Xerox Overseas Holdings Limited; at the same time the Company increased its investment in RRXH Limited and XRI Limited. In December 2004 the Company had sold its investment in RRXH Limited to XRI Limited. The remainder of the share premium arose prior to the 1997 Rank Organisation buyout.

#### 10 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Company	Registered Office	Country of Incorporation (or residence)	Nature of Business	Direct/ Indirect	Proportion of ownership interest (%)
Nemo (AKS) Limited	Building 4, UxbridgeBusiness Park, Sanderson Road, Uxbridge, Middlesex, UB8 1DH	England	Dormant	Direct	100.00
XRI Limited	Building 4, UxbridgeBusiness Park, Sanderson Road, Uxbridge, Middlesex, UB8 1DH	England	Dormant	Direct	100.00
RRXH Limited	Building 4, UxbridgeBusiness Park, Sanderson Road, Uxbridge, Middlesex, UB8 1DH	England	Dormant	Indirect	100.00
RRXO Limited	Building 4, UxbridgeBusiness Park, Sanderson Road, Uxbridge, Middlesex, UB8 1DH	England	Dormant	Indirect	100.00
RRXIL Limited	Building 4, UxbridgeBusiness Park, Sanderson Road, Uxbridge, Middlesex, UB8 1DH	England	Dormant	Indirect	100.00

#### 11 Ultimate controlling party

The ultimate parent undertaking, controlling party and the largest group in which the results of XRO Limited are consolidated is that of Xerox Holdings Corporation, which is incorporated in the United States of America. Copies of the Xerox Holdings Corporation Annual Report and Accounts may be obtained from The Investor Relations Department, Xerox Holdings Corporation, 201 Merritt 7, Norwalk, CT 06851-1056, U.S.A.; World Wide Web <http://www.xerox.com>.

The smallest group in which the results of XRO 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 Accounts may be obtained from Xerox Investments Europe B.V., Rijnzathe 12, 3454 PV De Meern, The Netherlands.

The immediate parent of the Company is Xerox Overseas Holdings Limited, Registered Number 3275267. The registered office for the parent is the same as that for the Company.