

Company Registration No. 02511140 (England and Wales)

RIGHT DOCUMENT SOLUTIONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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RIGHT DOCUMENT SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	C Waters on behalf of Capita Corporate Director Limited	(Appointed 14 April 2011)
	K P Dady	(Appointed 14 April 2011)
	D J Lockie	(Appointed 14 April 2011)
	R J Shearer	(Appointed 14 April 2011)
	P Gillett	
Secretary	Capita Group Secretary Limited	
Company number	02511140	
Registered office	17 Rochester Row London United Kingdom SW1P 1QT	
Auditor	KPMG Audit Plc 15 Canada Square London E14 5GL	

RIGHT DOCUMENT SOLUTIONS LIMITED

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RIGHT DOCUMENT SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business

On 14 April 2011 Capita Holdings Limited acquired the entire share capital of Right Document Solutions Holdings, the immediate parent company, for a net consideration of £16,502,000

The company is a wholly owned subsidiary (indirectly held) of Capita plc and operates within the group's Professional Services division

The principal activity of the company continued to be that of the supply, support and management of total document solutions with a specialism in Managed Print Services (MPS) and associated DocuCheck® consultancy, incorporating the sale, implementation, and servicing of mono and colour digital multifunctional devices printers scanners facsimile, associated print scan and archiving software and other office equipment to our customers on a nationwide basis There have not been any significant changes in the company's principal activities in the year under review The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year

As shown in the company's profit and loss account on page 4, the company's turnover has increased by £9,738,000 from £6,929 000 to £16 667,000 over the prior 6 months and operating profit has increased by £3 060,000 over the same period

The balance sheet on page 5 of the financial statements shows the company's financial position at the year end Net assets have decreased by £1,120,000 to £6,824,000 Details of amounts owed by/to its parent company and fellow subsidiary undertakings are shown in notes 9 and 10 to the financial statements

Key performance indicators used by Capita plc are operating margins free cash flow capital expenditure and return on capital employed Capita plc and its subsidiaries manage their operations on a divisional basis and as a consequence, some of these indicators are monitored only at a divisional level The performance of the Professional Services division of Capita plc is discussed in the group's annual report which does not form part of this report

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the company Monitoring exposure to risk and uncertainty is an integral part of the company's structured management processes The principal risks that the company faces are operational risk contract pricing, competition, regulatory and legislative impacts recruitment and retention of staff and maintenance of reputation and strong supplier and customer relationships

Group risks are discussed in the group's annual report which does not form part of this report

Results and dividends

The results for the year (2010 6 month period) are set out on page 4

The directors proposed a final dividend during the year of £4,825 000 (2010 £nil)

Directors

The following directors have held office since 1 January 2011

C Waters on behalf of Capita Corporate Director Limited	(Appointed 14 April 2011)
K P Dady	(Appointed 14 April 2011)
D J Lockie	(Appointed 14 April 2011)
R J Shearer	(Appointed 14 April 2011)
N D Jones	(Resigned 14 April 2011)
C Rutherford	(Resigned 14 April 2011)
A J Unalkat	(Resigned 14 April 2011)
P Gillett	

RIGHT DOCUMENT SOLUTIONS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

Auditor

Grant Thornton UK LLP resigned as auditors during the year and KPMG Audit Plc were appointed in their place Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue office

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 accounting estimates that are reasonable and prudent,
- 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 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

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

Qualifying 3rd party indemnity provisions

Capita plc has granted an indemnity to the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

On behalf of the board



C Waters on behalf of Capita Corporate Director Limited

Director

28 August 2012

RIGHT DOCUMENT SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RIGHT DOCUMENT SOLUTIONS LIMITED

We have audited the financial statements of Right Document Solutions Limited for the year ended 31 December 2011 set out on pages 4 to 14

The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) 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, 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm

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 2011 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 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



J M Papasolomontos Senior Statutory Auditor
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

28 August 2012

RIGHT DOCUMENT SOLUTIONS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

		Year ended 31 December 2011 £'000	6 months ended 31 December 2010 £'000
	Notes		
Turnover	2	16,667	6,929
Cost of sales		(8 200)	(3,574)
Gross profit		8,467	3,355
Administrative expenses		(3,486)	(1,434)
Operating profit	3	4,981	1 921
Other interest receivable and similar income	4	5	4
Profit on ordinary activities before taxation		4 986	1,925
Tax on profit on ordinary activities	5	(1 283)	(365)
Profit for the year	14	3 703	1,560

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

RIGHT DOCUMENT SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	7	-	25
Current assets			
Stocks	8	392	309
Debtors	9	10,473	7,581
Cash at bank and in hand		801	2,555
		11,666	10,445
Creditors' amounts falling due within one year	10	(4,842)	(2,524)
Net current assets		6 824	7 921
Total assets less current liabilities		6,824	7,946
		6,824	7,946
Capital and reserves			
Called up share capital	13	25	25
Other reserves	14	25	25
Profit and loss account	14	6,774	7,896
Shareholders' funds	15	6,824	7,946

Approved by the Board and authorised for issue on 28 August 2012



C Waters on behalf of Capita Corporate Director Limited
Director

Company Registration No. 02511140

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has sufficient financial resources together with long standing relationships with clients and suppliers. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The company has not produced a cashflow statement on the basis that the ultimate parent undertaking, Capita plc, has prepared a group cashflow statement in accordance with FRS1 (revised).

1.2 Changes in accounting policies

The company has adopted the following new Financial Reporting Standards issued by the UK Accounting Standards Board (ASB):

Amendment to FRS 25 (IAS 32) Financial Instruments Presentation - classification of rights issues - The amendment alters the definition of a financial liability to enable parties to classify rights issues (and certain options or warrants) as equity instruments. The amendment is applicable if the rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency. The adoption of this amendment has had no impact on the financial statements of the company.

Improvements to Financial Reporting Standards (2010) - In May 2010 the International Accounting Standards Board issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. These amendments were adopted by the ASB and issued in June 2010. The adoption of these amendments, which are effective from 1 January 2011, did not have any impact on the financial position or performance of the company.

FRS 30 Heritage Assets - In June 2010 the ASB issued this standard on the accounting treatment of heritage assets which is effective for annual periods beginning on or after 1 April 2010. This standard did not have any impact on the financial position or performance of the company.

UITF 47 (IFRIC 19) Extinguishing Financial Liabilities with Equity Instruments - This interpretation clarifies that equity instruments issued to a creditor to extinguish a financial liability are consideration in accordance with paragraph 41 of FRS26 (IAS 39). The equity instruments issued are measured at fair value (unless this cannot be reliably measured, in which case they are measured at the fair value of the liability extinguished) with gain or loss being immediately recognised in profit or loss. The adoption of this interpretation had no effect on the financial position or performance of the company.

UITF 48 Accounting implications of the replacement of the Retail Prices Index with the Consumer Prices Index for Retirement Benefits - In December 2010 the UITF issued guidance on the accounting treatment consequent to the UK Government's announcement to replace RPI with CPI for the statutory minimum increase in pensions in defined benefit schemes. This UITF abstract did not have any impact on the financial position or performance of the company.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

(continued)

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	25% straight line and reducing balance
Motor vehicles	25% straight line

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.7 Stock

Stock is valued at the lower of cost and net realisable value

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.9 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, taxation with the following exceptions

- Provision is made for taxation on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However no provision is made where on the basis of all available evidence at the balance sheet date it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to taxation only where the replacement assets are sold

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that at the balance sheet date, dividends have been accrued as receivable,

- Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred taxation is measured on an undiscounted basis at the taxation rates that are expected to apply in the periods in which timing differences reverse based on taxation rates and laws enacted or substantively enacted at the balance sheet date

1.10 Share-based payments

Equity-settled share-based payments, were issued in the form of share options to certain employees prior to Capital acquiring the company. In accordance with FRS 20, such payments are measured at fair value at the date of grant. Fair value is measured using the Black-Scholes pricing model and is expensed on a straight line basis in the income statement over the vesting period, based on an estimate of the number of shares that will eventually vest

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

(continued)

1.11 Related party transactions

The company has taken advantage of the exemption under FRS 8 Related Party Disclosures not to disclose transactions entered into between two or more members of Capita plc, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit

Operating profit is stated after charging

Depreciation of tangible assets

Operating lease rentals

- Plant and machinery

- Other assets

and after crediting

Profit on disposal of tangible assets

	Year ended 31 December 2011 £'000	6 months ended 31 December 2010 £'000
	43	4
	46	-
	98	-
	(8)	-

Audit fees are borne by the ultimate parent undertaking Capita plc. The audit fee for the current period was £2,000. The company has taken advantage of the exemption provided by regulation 6(2)(b) of The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the group accounts of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act 2006.

4 Investment income

Bank interest

	Year ended 31 December 2011 £'000	6 months ended 31 December 2010 £'000
	5	4
	5	4

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

	Year ended 31 December 2011 £'000	6 months ended 31 December 2010 £'000
5 Taxation		
Domestic current year tax		
U K corporation tax	1 267	453
Adjustment for prior years	39	(53)
Total current tax	1,306	400
Deferred tax		
Deferred tax charge/credit current year	(23)	(35)
	1,283	365
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	4,986	1,925
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.50% (2010 - 28.00%)	1 321	539
Effects of		
Non deductible expenses	10	12
Depreciation in excess of capital allowances	14	-
Tax relief regarding share option exercises	(91)	-
Group relief not paid for	-	(128)
Adjustments to previous periods	39	(53)
Other timing differences	13	30
	(15)	(139)
Current tax charge for the year	1,306	400

The UK corporation tax rate decreased from 26% to 24% from 1 April 2012 and changes to writing down allowances also took effect from this date. The deferred tax balance has been adjusted in the current year to reflect the reduction to 25% (as this change was enacted at the balance sheet date) resulting in a charge to the profit and loss account of £4,734 included in the current year deferred tax charge. Proposed changes to tax laws and rates that will have an effect on the deferred tax assets and liabilities of the Company have also been announced but not substantively enacted at the balance sheet date. The impact of these changes on the Company is not considered to be material.

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

6	Dividends	2011 £'000	2010 £'000
	Ordinary final proposed	4,825	-

7	Tangible fixed assets	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
	Cost			
	At 1 January 2011	221	15	236
	Additions	1	45	46
	Disposals	(189)	(60)	(249)
	At 31 December 2011	33	-	33
	Depreciation			
	At 1 January 2011	196	15	211
	On disposals	(200)	(20)	(221)
	Charge for the year	37	5	43
	At 31 December 2011	33	-	33
	Net book value			
	At 31 December 2011	-	-	-
	At 31 December 2010	25	-	25

8	Stocks	2011 £'000	2010 £'000
	Finished goods and goods for resale	392	309

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

9 Debtors	2011	2010
	£'000	£'000
Trade debtors	1,040	1,597
Amounts owed by parent and fellow subsidiary undertakings	8,977	5,598
Other debtors	8	66
Prepayments and accrued income	390	285
Deferred tax asset (see note 11)	58	35
	<u>10,473</u>	<u>7,581</u>

10 Creditors amounts falling due within one year	2011	2010
	£'000	£'000
Trade creditors	616	379
Amounts owed to parent and fellow subsidiary undertakings	1,567	-
Corporation tax	1,156	396
Other taxes and social security costs	375	481
Other creditors	280	1,268
Accruals and deferred income	848	-
	<u>4,842</u>	<u>2,524</u>

The company has cancelled its guarantee in respect of the bank borrowings of its parent company which amounted to £nil (2010 £5,892,000)

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

11 Provisions for liabilities

The deferred tax asset (included in debtors, note 9) is made up as follows

	2011 £'000
Balance at 1 January 2011	(35)
Profit and loss account	(23)
	<hr/>
Balance at 31 December 2011	(58)
	<hr/>

	2011 £'000	2010 £'000
Decelerated capital allowances	(35)	(35)
Other timing differences	(23)	-
	<hr/>	<hr/>
	(58)	(35)
	<hr/>	<hr/>

12 Pension and other post-retirement benefit commitments

Defined contribution

	2011 £'000	2010 £'000
Contributions payable by the company for the year	2	-
	<hr/>	<hr/>

13 Share capital

	2011 £'000	2010 £'000
Allotted, called up and fully paid		
25 000 Ordinary shares of £1 each	25	25
	<hr/>	<hr/>

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

14 Statement of movements on reserves

	Other reserves (see below)	Profit and loss account
	£'000	£'000
Balance at 1 January 2011	25	7,896
Profit for the year	-	3,703
Dividends paid	-	(4,825)
	<u>25</u>	<u>6,774</u>
Other reserves		
Capital redemption reserve		
Balance at 1 January 2011 & at 31 December 2011	<u>25</u>	

15 Reconciliation of movements in shareholders' funds

	2011 £'000	2010 £'000
Profit for the financial year	3,703	1,560
Dividends	(4,825)	-
Contribution in respect of share based payment charge	-	17
	<u>(1,122)</u>	<u>1,577</u>
Net (depletion in)/addition to shareholders' funds	7,946	6,369
Opening shareholders' funds	<u>6,824</u>	<u>7 946</u>
Closing shareholders' funds		

16 Financial commitments

At 31 December 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012

	Land and buildings		Other	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Operating leases which expire				
Within one year	-	40	-	20
Between two and five years	101	57	-	-
	<u>101</u>	<u>97</u>	<u>-</u>	<u>20</u>

RIGHT DOCUMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

17 Directors' remuneration	2011	2010
	£'000	£'000

Remuneration for qualifying services	460	175
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Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	219	70
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18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	Year ended	6 months ended
	31 December	31 December
	2011	2010
	Number	Number
Operations	63	52

	Year ended	6 months ended
	31 December	31 December
	2011	2010
	£'000	£'000
Employment costs		
Wages and salaries	2 416	1,077
Social security costs	248	100
Other pension costs	2	-
Share based payments	-	17
	2 666	1,194

19 Control

The company's immediate parent company is Right Document Solutions Holdings Limited a company incorporated in England and Wales

The company's ultimate parent is Capita plc, a company registered in England and Wales the accounts of Capita plc are available from the registered office at 61-71 Victoria Street London, SW1H 0XA