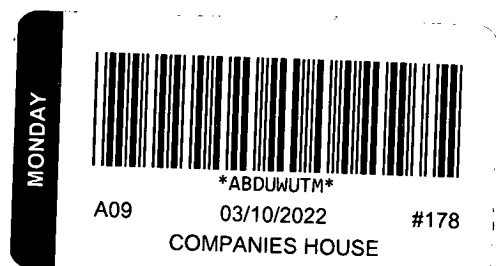


Ricoh Europe ASP Limited
Annual Report and Financial Statements
For the Year Ended 31 March 2022

Registered number 4111195



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Officers and Professional Advisors

Directors

Nicola Clare Downing
David Mills
Timothy Ian Stuart
Seiya Iwanaga (appointed 1 July 2021)

Company Secretary

Nicola Clare Downing

Registered Office

20 Triton Street
London
NW1 3BF

Auditor

Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ

Strategic Report

In compliance with Section 414C of the Companies Act 2006, the Directors present their strategic report for the year ended 31 March 2022.

The financial results for the year ended 31 March 2022 is headed under "2022" and the financial results for the year ended 31 March 2021 is headed under "2021".

Principal activities

The principal activities of Ricoh Europe ASP Limited ("the Company") are to supply back-office support and software solutions to fellow subsidiaries of Ricoh Europe Holdings PLC.

This includes the provision of the supply of software solutions in the sales and service domains to fellow group companies in the Europe, Middle East and Africa (EMEA) region and responsibility for the activities of the Ricoh Europe Shared Service Centres, which provide administrative and financial services to fellow subsidiaries of Ricoh Europe Holdings PLC.

Business review and key performance indicators (KPIs)

The Board monitors the Company's progress against its strategic objectives and the financial performance of its operations on a regular basis. Performance is assessed against the strategy, budgets and forecasts using financial and non-financial measures. The most significant KPIs used by the Company are as follows:

	2022 €m	2021 €m
Cost of sales	53.3	60.6
Profit before tax	1.8	0.9

The Company has been effective in reducing cost of sales during the year in line with business plans. The cost relates mainly to the expenses of running the Shared Service Centres, which are charged to the Company, and the amortisation of software. The Company benefits from the tight control and monitoring of costs. The decrease in costs was driven by a reduction in staff related expenses and office overheads incurred by the Shared Services Centres, recharged to the Company.

As a result of tighter cost control profit before tax increased by €0.9m (100%) from the prior year, despite a reduction in revenue by €6.4m (-10%) to €55.1m for the same period.

During the year the Company worked on a business enablement project: OSCAR. This is a pan-EMEA project designed to support Ricoh's strategy for growth by ensuring that we have the right systems, processes and technology infrastructure in place. The solution that underpins OSCAR is a digital business platform hosted in the Cloud. The Company invested €10.8m on the build and development costs in the year.

Results

The loss for the year of €0.8m (2021: profit €0.1m) has been transferred to reserves. The loss arises due to the impact of changes in tax rates affecting the measurement of deferred tax, offset by an increase in profit before tax. Net assets are €148.9m and in line with previous year balances (2021: €149.7m).

Principal risks and uncertainties

The key risks and uncertainties facing the Company are:

Liquidity and cash flow risk: The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The risk is managed for the Company using existing Group banking facilities and loans, with regular periodic cash flow forecasts. In the event operating cash flows would not cover all the Company's financial obligations, financial support is guaranteed by its related company; Ricoh Europe Finance Limited, (the 'Group treasury company'), which underpins its liquidity. Therefore, the directors consider the liquidity risk as reasonably low.

Strategic Report (continued)

Credit risk: The Company's objective is to collect payment from its debtors, being mainly attributable to intercompany counterparties and as a result this risk is considered low. The Company manages this risk within the group by collecting payments in the monthly multilateral netting processes and through monitoring the aging of debtors. The ageing of third-party debtors is monitored through regular ageing analysis.

Section 172 Statement

The Board of Directors, in line with their duties under S172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company. There are no consequences of the directors' decisions on employees as the Company has none. As the customers and suppliers of the company are the fellow subsidiaries of Ricoh Europe Holding PLC, the directors have not specifically considered the need to foster relationships with them. The Company's operations have no effect on the community or environment due to nature of the business.

The Board of Directors have regard to a range of matters when making decisions for the long term, including:

a) the likely consequences of any decision in the long term

The Board's decision-making is focused on ensuring that the Company is sustainable in the long term and continues to support the operations of the Ricoh Europe Holdings group. Each year, the Board assesses opportunities and risk for the Company. The Ricoh Group Management Policy provides guidance and direction to achieve the Mid-Term Plan and execute growth strategies successfully. During the year, Directors supported the pan- EMEA project OSCAR that expects to bring long-term benefit to the Company and fellow subsidiaries of Ricoh Europe Holdings PLC, the immediate parent company, by providing a digital business platform hosted in the cloud.

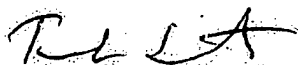
b) the desirability of the company maintaining a reputation for high standards of business conduct

Ricoh Europe ASP Limited is part of a truly international Ricoh group that fosters genuine partnerships with its customers through exceptional standards of service. With Ricoh's technical ability and IT knowledge on their team, the subsidiaries of Ricoh group can reduce costs, eliminate waste and streamline processes, yielding tangible benefits for their own customers.

Future developments

The Company will continue to provide its principal activities of supplying back-office support and software solutions to fellow subsidiaries of Ricoh Europe Holdings PLC, in line with the business strategy and operational needs.

Approved by the Board of Directors and signed on behalf of the Board



T. Stuart
Director

30 September 2022

Registered Office
20 Triton Street
London NW1 3BF
Registered in England
No. 4111195

Directors' Report

The Directors present their Directors' report and financial statements for the year ended 31 March 2022.

Going concern

The Company had €8.2m of cash in bank and €148.9m of net assets as at 31 March 2022. The Directors have assessed the cash flow forecasts of the Company and have identified that the business will require support from the Group Treasury entity Ricoh Europe Finance Limited, due to the operational nature of the Company, in order to meet its liabilities as they fall due. Ricoh Europe Finance Limited is supported by the ultimate parent company, Ricoh Company Ltd, in order to ensure that all Ricoh Group entities have sufficient access to cash to enable continued support of the overall Group.

Ricoh Europe Finance Limited have provided a letter of support and confirmed that it will continue providing financial support to the Company to enable it to meet its obligations as they fall due for a period of 12 months from the date of signing the financial statements. The Directors of the Company have made enquiries of Ricoh Europe Finance Limited and Ricoh Company Ltd's directors and have satisfied themselves that support is able to be provided.

The Directors acknowledge that there is ongoing uncertainty as a result of external factors such as the continuing impact of COVID-19, supply chain restrictions and the Russia-Ukraine conflict on the operations of the Ricoh Europe group. However, these are not expected to impact the support required from Group companies or the ability of the Company to continue as a going concern due to the nature of its operations. Thus, Directors continue to adopt the going concern basis in preparing the annual financial statements.

Energy and Carbon Reporting

The Company has taken the exemption from the Streamlined Energy and Carbon Reporting requirements as this information is included in the consolidated accounts of the parent company.

Business relationships

Refer to the Section 172 statement within the strategic report for a summary of how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others. As the customers and suppliers of the company are the fellow subsidiaries of Ricoh Europe Holding PLC, the directors have not specifically considered the need to foster relationships with them.

Results for the year and Dividends

The loss for the financial year of €0.8m (2021: profit €0.1m) has been transferred to reserves. The Directors do not recommend the payment of a dividend (2021: €nil) and no dividends have been declared since the balance sheet date and the date of this report.

Directors

The Directors of the Company, who served during the year, and up to the date of signing, were:

David Mills
Nicola Clare Downing
Timothy Ian Stuart
Seiya Iwanaga (appointed 1 July 2021)

There were no contracts existing during, or at the end of the year in which any Director is, or was, materially interested in which are, or were, significant in relation to the Company's business. The Directors were remunerated by other Ricoh group companies.

The Directors received no remuneration in respect of their qualifying services to the Company (2021: €nil).

Directors' Insurance and Indemnities

The parent company maintains liability insurance for all its directors and officers including those of its direct subsidiaries. The parent provides indemnity for its directors and officers which is a qualifying third-party indemnity arrangement in compliance with the requirements of the Companies Act 2006. These provisions were made during the year and remain in force at the date of this report.

No claims have been made in the year.

Directors' Report (continued)

Post balance sheet events

See note 18 for details.

Auditor

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

Disclosure of information to the 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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

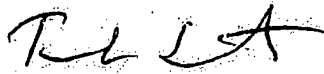
Future Developments

Future Developments have been disclosed within the Strategic report on page 3.

Risk Management

The Company's risk management policies in relation to financial instruments and the exposure of the Company to principal risks are disclosed within the Strategic report on pages 2 and 3.

Approved by the Board of Directors and signed on behalf of the Board



T. Stuart
Director

30 September 2022

Registered Office
20 Triton Street
London NW1 3BF

Registered in England
No. 4111195

Directors' Responsibilities Statement
in Respect of the Strategic Report and the Directors' Report and the Financial Statements

The directors are responsible for preparing the Annual 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), including FRS 101 "Reduced Disclosure Framework". 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; 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 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.

Independent Auditor's Report to the Members of Ricoh Europe ASP Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Ricoh Europe ASP Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the strategic report and director's report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the Members of Ricoh Europe ASP Limited (continued)

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included General Data Protection Regulation.

We discussed among the audit engagement team including relevant internal specialists such as tax and IT, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Ricoh Europe ASP Limited (continued)

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.



Ivan Boonzaaier, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

30 September 2022

**Profit and Loss Account
for the year ended 31 March 2022**

	Note	2022 €'000	2021 €'000
Revenue	5	55,072	61,495
Cost of sales		(53,293)	(60,557)
Profit before tax	6	1,779	938
Taxation charge	9	(2,584)	(866)
(Loss)/profit for the year		(805)	72

The results above relate to continuing activities. There are no items of other comprehensive income in the current or prior year, other than the (loss)/profit for the year and accordingly no statement of comprehensive income is presented.

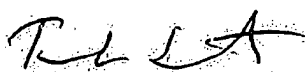
The accompanying notes on pages 13 to 20 form part of the financial statements.

Balance Sheet as at 31 March

	Note	2022 €'000	2021 €'000
Non-current assets			
Intangible assets	10	93,055	97,874
		93,055	97,874
Current assets			
Cash and cash equivalents		8,157	6,990
Trade and other debtors	11	69,689	69,765
		77,846	76,755
Total assets		170,901	174,629
Current liabilities			
Trade and other creditors	12	(10,631)	(14,884)
Corporation tax liabilities		(3,634)	(2,849)
		(14,265)	(17,733)
Net current assets		63,581	59,022
Total assets less current liabilities		156,636	156,896
Non-current liabilities			
Deferred tax	13	(7,712)	(7,167)
Total liabilities		(21,977)	(24,900)
Net assets		148,924	149,729
Capital and reserves			
Share capital	14	134,000	134,000
Share premium		13,920	13,920
Retained earnings		1,004	1,809
Total equity		148,924	149,729

The accompanying notes on pages 13 to 20 form part of the financial statements.

These financial statements were approved by the Board of Directors on 30 September 2022 and were signed on its behalf by:



T. Stuart
Director

Company registered number: 4111195

Statement of Changes in Equity

	Share capital €'000	Share premium €'000	Retained earnings €'000	Total equity €'000
Balance at 1 April 2021	134,000	13,920	1,809	149,729
Loss for the year	-	-	(805)	(805)
Balance at 31 March 2022	134,000	13,920	1,004	148,924

	Share capital €'000	Share premium €'000	Retained earnings €'000	Total equity €'000
Balance at 1 April 2020	134,000	13,920	1,737	149,657
Profit for the year	-	-	72	72
Balance at 31 March 2021	134,000	13,920	1,809	149,729

The accompanying notes on pages 13 to 20 form part of the financial statements.

Notes to the Financial Statements

1 General information

Ricoh Europe ASP Limited is a private company incorporated in England and Wales and limited by shares under the Companies Act 2006. The address of the Company's registered office is 20 Triton Street, London, NW1 3BF.

The principal activities of the Company are set out in the strategic report on page 2.

These financial statements are presented in thousands of Euros unless otherwise stated because this is the currency of the primary economic environment that the Company operated within.

2 Adoption of new and revised standards

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements as the Company does not hold asset or liabilities pertaining to the standard nor activity or transactions affected by the standard.

- Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7

3 Significant Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the United Kingdom ("Adopted IFRSs") but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

These financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Exemption from preparation of consolidated financial statements

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements present information about the Company as an individual company.

The Company is a wholly owned subsidiary of Ricoh Europe Holdings PLC and is included in its consolidated financial statements. The consolidated financial statements of Ricoh Europe Holdings PLC are prepared in accordance with International Financial Reporting Standards and can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes (IAS 7);
- Disclosures in respect of transactions with fellow wholly owned subsidiaries (IAS 24);
- Disclosures in respect of capital management (IAS 1);
- Certain disclosures in respect of revenue (IFRS 15); and
- The effects of new but not yet effective IFRSs (IAS 8).

As the consolidated financial statements of Ricoh Europe Holdings PLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Notes to the Financial Statements *(continued)*

Significant Accounting policies *(continued)*

Going concern

The Directors assessed and concluded that as at 31 March 2022 the Company had net current assets of €63.6m (2021: €59.0m) and net assets of €148.9m (2021: €149.7m). The Directors have assessed the cash flow forecasts of the Company and have identified that the business will require support from the Group Treasury entity due to the operational nature of the Company in order to meet its liabilities as they fall due. Ricoh Europe Finance Limited is supported by the ultimate parent company, Ricoh Company Ltd, in order to ensure that all Ricoh Group entities have sufficient access to cash to enable continued support of the overall Group.

The Directors of Ricoh Europe Finance Limited have provided a letter of support and confirmed that they will continue providing financial support to the Company to enable it to meet its obligations as they fall due for a period of 12 months from the date of signing the financial statements. The Directors of the Company have made enquiries of the Directors of Ricoh Europe Finance Limited and Ricoh Company Ltd and have satisfied themselves that support is able to be provided.

The Directors acknowledge that there is ongoing uncertainty as a result of external factors such as the continuing impact of COVID-19 and the Russia-Ukraine conflict. However, these are not expected to impact the ability of the Company to continue as a going concern due to the nature of its operations. Thus, Directors continue to adopt the going concern basis in preparing the annual financial statements.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities

Financial assets and liabilities are recognised and derecognised on a settlement date where the purchase or sale of the financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned and are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Non-derivative financial instruments

Non-derivative financial instruments comprise of cash and cash equivalents, loans and borrowings and trade and other debtors and creditors.

Financial assets (including trade and other receivables)

All financial assets are recognised and derecognised on a settlement date where the purchase or sale of the financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned and are initially measured at fair value plus transaction costs.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes to the Financial Statements (continued)

Significant Accounting policies (continued)

Impairment of financial assets

The Company has applied the simplified approach to recognise loss allowances for expected credit losses (ECLs) on trade and other receivables (as defined in IFRS 9).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience, informed credit assessment and forward-looking information.

For trade and other receivable, the Company has calculated the expected credit loss based on most recent three year's historic loss rate, calculating an average credit loss rate.

The Company has had no historical write-offs in the most recent three years, therefore ECL has been calculated at zero percent. Furthermore, the loans are low credit risk given the going concern support provided to group entities by the parent company.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost and is calculated as the difference between the carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, impairment is calculated as the difference between the carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Finance income and expense

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Intangible assets

Intangible assets acquired separately are capitalised at cost. Intangible assets acquired as part of an acquisition are capitalised at fair value as at the date of acquisition. Following initial recognition, intangible assets which have a finite life are carried at cost less any applicable accumulated amortisation and any accumulated impairment losses.

Intangible assets in the course of construction are carried at cost, less any recognised impairment loss. Cost includes all directly attributable costs necessary to bring the asset into working condition. Amortisation of these assets commences when the assets are ready for their intended use.

Software amortisation is recognised over their useful lives, using the straight-line method, between 3 and 12 years. The amortisation of intangible assets is included in administrative expenses.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Notes to the Financial Statements (continued)

Significant Accounting policies (continued)

Taxation (continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Such assets and liabilities are not recognised on the balance sheet if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Revenue recognition

Revenue represents amounts receivable for services provided in the normal course of business, excluding trade discounts, VAT and other sales related taxes. Revenue is recognised once the Company has satisfied its performance obligations and revenue is recognised over time as the Company has yearly recharge agreements with other group entities. Given the nature of the services provided, there are no obligations for the Company to provide refunds or returns to other group entities, nor do any warranties exist.

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Directors to make judgements, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects on that period, or in the period of the revision and future periods if the revision affects both current and future periods. There were no critical judgements made during the year, or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

5 Revenue

The Company's revenue is comprised of administrative and support services.

6 Profit before tax

This is stated after charging/(crediting):

	2022 €'000	2021 €'000
Amortisation of intangible assets (note 10)	17,366	17,382
Audit fees payable for the Company's audit borne by a Ricoh Group undertaking	15	15
Foreign exchange gain	(60)	(83)

7 Staff numbers and costs

There were no employees during the year (2021: nil).

Notes to the Financial Statements (continued)

8 Directors' remuneration

The Directors were remunerated by other Ricoh Europe Group companies. The Directors received no remuneration in respect of their qualifying services to the Company (2021: €nil).

9 Taxation charge

Recognised in the income statement

	2022 €'000	2021 €'000
<i>United Kingdom corporation tax</i>		
Corporation tax based on the profit for the year	1,546	1,627
Adjustments in respect of previous years	493	32
Total current tax charge	2,039	1,659
Origination and reversal of temporary differences (note 13)	(1,011)	(793)
Adjustments in respect of previous years	(295)	-
Effect of tax rate change on deferred tax balances	1,851	-
Total deferred tax charge/(credit)	545	(793)
Total tax charge	2,584	866

The total tax expense for the year is higher (2020: higher) than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

Reconciliation of effective tax rate

	2022 €'000	2021 €'000
Profit before tax	1,779	938
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%).	338	178
Effects of:		
Adjustments to tax charge in respect of previous year	199	33
Non-deductible expenses	5	85
Transfer pricing adjustments	191	570
Remeasurement of deferred tax for changes in tax rate	1,851	-
Total tax charge for the year	2,584	866

Factors affecting the future tax charge

UK corporation tax remains at a rate of 19% (2021: 19%). An increase in the rate to 25%, effective 1 April 2023, had previously been enacted, however, on 23 September 2022, the UK Government announced that legislation will be introduced in due course so that the increase to 25% will not take effect and the UK corporation tax rate will remain at 19%.

Notes to the Financial Statements (continued)

10 Intangible assets

	Assets in the course of construction €'000	Software €'000	Total €'000
<i>Cost</i>			
At 1 April 2021	7,065	258,919	265,984
Additions	8,556	3,991	12,547
Transfer	(15,621)	15,621	-
At 31 March 2022	-	278,531	278,531
<i>Amortisation</i>			
At 1 April 2021	-	(168,110)	(168,110)
Charge for the year	-	(17,366)	(17,366)
At 31 March 2022	-	(185,476)	(185,476)
<i>Net book value</i>			
At 31 March 2022	-	93,055	93,055
At 1 April 2021	7,065	90,809	97,874

Software: SHARE. The Group has a bespoke ERP system developed in-house. This is used across Europe by operating companies and Shared Service Centres. At 31 March 2022, the net book value of the asset was €75.4m and it will be fully amortised by 2031.

OSCAR. Oscar is a pan-EMEA, business enablement project, designed to support Ricoh's strategy for growth by ensuring that we have the right systems, processes and technology infrastructure in place. The solution that underpins OSCAR is a digital business platform hosted in the Cloud. At 31 March 2021, the intangible asset was under construction, with a carrying value of €7.1m. During the year, €10.1m of additions were incurred to create a product that was ready for use in February 2022, at which point amortisation commenced. Following this date, a further €0.7m was capitalised for further enhancements to the software. At 31 March 2022, the net book value of the asset was €17.7m and the product will be fully amortised by 2032.

11 Trade and other debtors

	2022 €'000	2021 €'000
<i>Amounts falling due within one year</i>		
Amounts owed from group undertakings	69,689	69,684
Trade debtors	-	81
	69,689	69,765

The amounts due from group undertakings comprise a monthly rolling, unsecured, interest free loan to Ricoh Europe Finance Limited of €69,000,000 as well as amounts due from other intercompany debtors of €689,000 that are also unsecured and interest free with 30 days payment terms.

12 Trade and other creditors

	2022 €'000	2021 €'000
<i>Amounts falling due within one year</i>		
Amounts due to group undertakings	10,631	14,884
	10,631	14,884

The amounts due to group undertakings are unsecured and interest free with 30 days payment terms.

Notes to the Financial Statements (continued)

13 Deferred tax assets and liabilities

Deferred tax

	2022 Asset €'000	2022 Liability €'000	2021 Asset €'000	2021 Liability €'000	2022 Net €'000	2021 Net €'000
Accelerated depreciation for tax purposes	-	7,712	-	7,167	7,712	7,167
Deferred tax liability	-	7,712	-	7,167	7,712	7,167

Reconciliation of movements in deferred tax

	March 2021 €000	Recognised in profit and loss €000	March 2022 €000
Accelerated depreciation for tax purposes	7,167	545	7,712
Deferred tax liability	7,167	545	7,712

An increase in the UK corporation tax rate to 25%, effective 1 April 2023, has been enacted and deferred tax balances are calculated at the increased rate substantively enacted at the balance sheet date. On 23 September 2022, the UK Government announced that the increase to 25% will not take effect and the corporation tax rate will remain at 19%. As this latest tax rate change had not been substantively enacted at the balance sheet date, the UK deferred tax balances as at 31 March 2022 are measured at appropriate rates substantively enacted at the balance sheet date. If the 19% tax rate had been used, the deferred tax asset liability would have been £1,850,928 lower.

14 Share capital

	2022 €'000	2021 €'000
Authorised, allotted and fully paid		
134,000 Ordinary shares of €1,000 each	134,000	134,000

	2022 £	2021 £
Authorised, allotted and fully paid		
1 Ordinary share of £1 each	1	1

15 Financial instruments

The fair values of all assets and financial liabilities by class shown in the balance sheet are as follows:

The Directors consider that the book value of the financial assets and liabilities recorded at the amortised cost and their fair value are approximately equal.

	2022 €'000	2021 €'000
Financial assets measured at amortised cost		
Trade and other debtors	69,689	69,765
Cash and cash equivalents	8,157	6,990
Total financial assets	77,846	76,755
Financial liabilities measured at amortised cost		
Trade and other creditors	(10,631)	(14,884)
Total financial liabilities	(10,631)	(14,884)
Total financial instruments	67,215	61,871

Notes to the Financial Statements (continued)

16 Related parties

During the year the Company entered into transactions, in the ordinary course of business, with other related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

During the year, the Company entered into the following trading transactions with related parties that are not wholly owned:

Company	Administrative and support revenue		Expenses for services rendered	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Ricoh South Africa Holdings Pty Ltd	1,738	2,008	-	21

The following amounts were outstanding at the reporting date:

Company	Amounts owed from group undertakings		Amounts owed to group undertakings	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Ricoh South Africa Holdings Pty Ltd	-	1,028	-	-

17 Ultimate parent

The Company's immediate parent is Ricoh Europe Holdings PLC registered in England and Wales and the Company's ultimate parent company is 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, registered at the same address as Ricoh Europe ASP Limited. Copies of these consolidated accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The parent undertaking of the largest group for which consolidated accounts are prepared, and in which the results of the Company are included, the ultimate parent of Ricoh Europe ASP Limited is Ricoh Company, Ltd.

The registration address of Ricoh Company Ltd is: 3-6, Nakamagome 1-chome, Ohta-ku, Tokyo 143-0027, Japan. The latest consolidated financial statements of the Parent Company are available at <https://www.ricoh.com/>.

18 Post balance sheet events

Refer to notes 9 and 13 for details of changes to UK corporation tax rates announced after the balance sheet date.