

**R.R. DONNELLEY LIMITED**

**Report and Financial Statements**

**31 December 2009**



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# **R.R. DONNELLEY LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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**R.R. DONNELLEY LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2009**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

B W Lundberg  
M Richardson

**SECRETARY**

T Gordon

**REGISTERED OFFICE**

Flaxby Moor  
Knaresborough  
North Yorkshire  
HG5 0XJ

**AUDITORS**

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Leeds

# **R.R. DONNELLEY LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 December 2009

## **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company is a non-trading entity which holds a receivable from another group company

## **DIRECTORS**

The directors who served during the year and subsequently are as shown below

B W Lundberg  
M Richardson

## **GOING CONCERN**

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 financial statements

## **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

- so far each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

## **AUDITORS**

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

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



M Richardson  
Director

23 April 2010

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

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). 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 judgments 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 AUDITORS' REPORT TO THE MEMBERS OF R.R. DONNELLEY LIMITED**

We have audited the financial statements of R R Donnelley Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 auditors**

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 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.


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

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

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



David Johnson BA ACA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Leeds

26 April 2010

## **R.R. DONNELLEY LIMITED**

### **PROFIT AND LOSS ACCOUNT** **Year ended 31 December 2009**

	<b>Note</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
Interest receivable	2	718	38
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>718</b>	<b>38</b>
Tax on profit on ordinary activities	3	(201)	(11)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>517</b>	<b>27</b>
<b>RETAINED PROFIT FOR THE YEAR</b>	9,10	<b>517</b>	<b>27</b>

All of the results of the company arose from continuing activities

The accompanying notes are an integral part of this profit and loss account

There were no other recognised gains or losses in either year other than as shown in the profit and loss account above therefore no separate statement of total recognised gains and losses has been presented

# R.R. DONNELLEY LIMITED

## BALANCE SHEET 31 December 2009

	Note	2009 £'000	2008 £'000
<b>CURRENT ASSETS</b>			
Debtors	6	12,255	11,537
<b>CREDITORS: amounts falling due within one year</b>	7	(212)	(11)
<b>NET ASSETS</b>		<u>12,043</u>	<u>11,526</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	5,158	5,158
Capital contribution	9	4,000	4,000
Profit and loss account	9	2,885	2,368
<b>SHAREHOLDERS' FUNDS</b>	10	<u>12,043</u>	<u>11,526</u>

The accompanying notes are an integral part of this balance sheet

These financial statements of R R Donnelley Limited, company number 00166396, were approved by the Board of Directors on 23 April 2010

Signed on behalf of the Board of Directors



M Richardson  
Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 December 2009**

**1. ACCOUNTING POLICIES**

The principal accounting policies are set out below. These have been applied consistently throughout the year and the preceding year.

**Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable UK law and accounting standards.

The directors have considered the financial position and future prospects of the company and conclude that the company is a going concern.

**Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

**2. INTEREST RECEIVABLE**

	2009 £'000	2008 £'000
Interest receivable on intercompany loan	718	38

**3. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2009 £'000	2008 £'000
The tax charge comprises		
<b>Current tax</b>		
UK corporation tax	201	11

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	718	38
Tax on profit on ordinary activities at standard UK corporation tax rate of 28% (2008: 28.5%)	201	11

**4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

The auditors' remuneration of £2,000 (2008: £2,000) and Companies House fees were borne by a fellow group undertaking in the current year and preceding year.

**5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

No emoluments were payable from the company to the directors, who were the only employees, of the company during the current and preceding financial year. Directors' remuneration of £247,497 (2008: £217,077) was borne by another group company.

# R.R. DONNELLEY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2009

### 6. DEBTORS

	2009 £'000	2008 £'000
Amounts owed by group undertakings	12,255	11,537

Amounts owed by group undertakings represents a short-term loan and accrued interest thereon

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
UK corporation tax	212	11

### 8. CALLED-UP SHARE CAPITAL

	2009 £	2008 £
<b>Authorised</b> 6,157,850 ordinary shares of £1 each	6,157,850	6,157,850
<b>Allotted, called-up and fully paid</b> 5,157,851 ordinary shares of £1 each	5,157,851	5,157,851

### 9. RESERVES

	Capital contribution £'000	Profit and loss account £'000	Total £'000
At 1 January 2009	4,000	2,368	6,368
Retained profit for the year	-	517	517
At 31 December 2009	4,000	2,885	6,885

Of the total reserves shown in the balance sheet, the following amounts are regarded as distributable or otherwise

	2009 £'000	2008 £'000
Distributable		
- profit and loss account	2,885	2,368
Non distributable		
- capital contribution	4,000	4,000
	6,885	6,368

## **R.R. DONNELLEY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 December 2009**

#### **10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
Profit for the year	517	27
Net addition to shareholders' funds	517	27
Opening shareholders' funds	11,526	11,499
Closing shareholders' funds	12,043	11,526

#### **11. RELATED PARTY DISCLOSURES**

The company's ultimate parent company and controlling party is R R Donnelley & Sons Company which is incorporated in the State of Delaware, USA

The company's immediate parent company is R R Donnelley Holdings BV incorporated in the Netherlands

As a wholly owned subsidiary undertaking of R R Donnelley & Sons Company, the company has taken advantage of the exemption in FRS8 "Related party disclosures" not to disclose transactions with other members of the group headed by R R Donnelley & Sons Company since that company produces financial statements which are available to the public and which include R R Donnelley Limited. There are no other related party transactions requiring disclosure.

The largest group in which the results of the company are consolidated is that headed by R R Donnelley & Sons Company. The smallest group in which they are consolidated is that headed by R R Donnelley Holdings BV.

The consolidated financial statements of R R Donnelley & Sons Company are available to the public and may be obtained from the following address:

R R Donnelley & Sons Company  
Corporate Communication Department  
111 South Wacker Drive  
Chicago  
Illinois 60601-4301  
USA