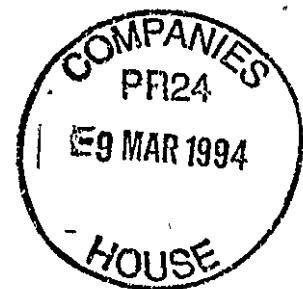


RANK XEROX LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 OCTOBER 1993



DIRECTORS OF RANK XEROX LIMITED

Chairman
P.A. Allaire

Managing Director
B.D. Fournier

M.B. Gifford
W.R. Goode
O.P.M. Grouès
L.L. Haddon
W.R. Hicks
J.R. Milligan
R.T. Orrico
G. Rabbat
B.D. Romeril
S.K. Singh
N.V. Turnbull
D.M. Yates

Secretary
C.J. Payne

Bankers
National Westminster Bank Plc

Registered Office
Parkway, Marlow
Buckinghamshire SL7 1YL

Registered Auditors
KPMG Peat Marwick
London

Registered Number
575914

RANK XEROX LIMITED AND SUBSIDIARIES DIRECTORS' REPORT

FINANCIAL STATEMENTS

The Directors present the balance sheet of the Parent Company, Rank Xerox Limited ('the Company') and the consolidated balance sheet as at 31 October 1993, together with the consolidated profit and loss account and consolidated cash flow statement for the year ended on that date, for the Company and its subsidiaries ('the Group').

The profit for the financial year of the Group was £109m.

Interim dividends of £72m were proposed and paid during the financial year on the 'A', 'B' and 'D' shares of the Company (note 9 to the Financial Statements).

A final dividend of £0.1m is proposed on the 'A', 'B' and 'E' shares of the Company.

Retained profits for the year were £37m. Transfers to non-distributable reserves in the year were £25m (note 19 to the Financial Statements).

PRINCIPAL ACTIVITIES

The business of the Group and its associates is research, development, manufacture, marketing and maintenance of document processing systems and equipment. This is supported by a portfolio of document services. The Group is also active in financing through its leasing operations.

Document processing encompasses a wide range of equipment, including copiers and duplicators, laser printers, scanners, electronic typewriters, facsimile machines, workstations, networks, production publishing systems and software.

Other Group activities include the marketing of paper and the manufacture and marketing of toner and related supplies.

BUSINESS REVIEW

A summary of the Group's business during 1993 can be found in the Managing Director's Review of the Year on page 22.

POST BALANCE SHEET EVENT

On 8 December 1993, Xerox Corporation announced a worldwide restructuring programme, aimed at improving productivity and significantly reducing the Corporation's cost base. This programme is expected to result in a reduction of more than 10,000 employees worldwide. The post-tax restructuring cost applicable to the Rank Xerox Proforma Group is approximately £125 million. This will be included in our 1994 results.

CORPORATE GOVERNANCE

The report of the Cadbury Committee on the Financial Aspects of Corporate Governance is aimed primarily at listed companies. Rank Xerox is a private company with two shareholders. Xerox Corporation of the USA and The Rank Organisation Plc of the UK: representatives of both shareholders constitute the board of directors of Rank Xerox Limited. The basic issue for corporate governance is how to strengthen the accountability of boards of directors to shareholders because, ordinarily, shareholders themselves cannot be involved in the direction and management of their company. However, as regards Rank Xerox, the majority shareholder, Xerox Corporation

RANK XEROX LIMITED AND SUBSIDIARIES D I R E C T O R S ' R E P O R T

already meets US requirements for corporate governance, many of which foreshadow the Cadbury requirements and, in practice, applies these to Rank Xerox. Therefore, the above mentioned basic tenet of corporate governance is satisfied by Rank Xerox, via direct shareholder participation.

One example of effective corporate governance in practice in Rank Xerox is our comprehensive Internal Control Management Process, which was first introduced in 1984 and has been refined and improved over the last decade. There are formal policies in place, control systems are documented and there is continuing evaluation and verification of the effectiveness of those control systems, by a pervasive internal audit function. The formal system currently in place has been specifically designed to safeguard assets, to identify and address material risks, and to provide reasonable assurance of the maintenance of proper accounting records and the reliability of financial information. The status of controls in Rank Xerox is also regularly reviewed by established audit committees within Rank Xerox and at Xerox Corporation, the majority shareholder.

DIRECTORS

The directors shown on page 36 are in office at the date of this report. Mr. L. Gonzalez-Camino retired on 16 April 1993 and Dr. M. Smith retired on 1 June 1993. Mr. G. Rabbat was appointed on 1 June 1993 and Mr. B.D. Romeril was appointed on 1 August 1993. The remaining Directors served throughout the year under review.

The Directors and Officers are covered by a Directors' and Officers' Liability Insurance taken out and maintained by Xerox Corporation.

TANGIBLE FIXED ASSETS

Changes in tangible fixed assets during the year are shown in note 11 on page 48 of this document.

The Directors are of the opinion that at 31 October 1993 the aggregate of the open market values of land and buildings exceeded net book values by approximately £42m for the Group. The net book values of land and buildings exceeded the aggregate of the open market values by approximately £3m for the Company.

RESEARCH AND DEVELOPMENT

The Rank Xerox European Research Centre, under the directorship of Dr Hervé Gallaire, is composed of three parts - the recently opened research laboratory in Grenoble, the established EuroPARC research laboratory in Cambridge and the third element is a grant programme, which consists of Rank Xerox funding projects at various European universities and also collaborating with different EU initiatives, such as ESPRIT.

Building of the new Rank Xerox Technical Centre at Welwyn is well under way, with the shell planned to be completed in April 1994 and 'fitting out' due by September 1994. The Technical Centre, under the directorship of Guy Rabbat, will utilise our knowledge of how people use documents, combined with our expertise in document software and hardware design, to develop and deliver highly integrated document systems, which work the way people work.

CHARITABLE AND POLITICAL CONTRIBUTIONS

During the year the Group made charitable donations of £0.4m, including £0.1m made within the United Kingdom. No political contributions were made by the Group during the year.

RANK XEROX LIMITED AND SUBSIDIARIES D I R E C T O R S ' R E P O R T

EMPLOYMENT POLICIES

Employment of disabled persons

It is Rank Xerox policy to give full and fair consideration to applications for employment by disabled persons. Rank Xerox is a member of the Employers Forum on Disability, which seeks new ways of encouraging the employment of people with a disability.

Employee Involvement

Rank Xerox believes that employees must be informed about the state of the business and involved in the issues that affect their working environment.

Information is given to employees regularly through management 'information cascade' meetings, through in-house magazines and journals and through informal two-way communications sessions held by Directors and senior management with groups of employees.

Involvement is an everyday working practice focused, by the Company's Leadership through Quality processes, on customer satisfaction.

Employee motivation and satisfaction remains a key business objective, with many employees involved in resolving workplace issues. The Company is also introducing, on a progressive basis, self-directed work groups.

Health and Safety

The Company aims to ensure that all employees work in a safe and healthy environment, free from accident, illness and injury whilst at work.

Pensions

The Company has made an external appointment to the Management Committee of its pension schemes in the UK, to act along with employee, pensioner and management members. The appointee, who will perform the role of 'Independent Trustee' is the independent trustee company, BEST Trustees. BEST Trustees will be represented on the Management Committee by Clive Gilchrist, its Managing Director, who is vice president of the National Association of Pension Funds and a past chairman of its Investment Committee.

AUDITORS

The Auditors, KPMG Peat Marwick, have signified their willingness to continue in office, and a resolution for their re-appointment will be proposed at the Annual General Meeting.

By order of the Board



C J Payne

Secretary

19 January 1994

RANK XEROX LIMITED AND SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 OCTOBER 1993

	<i>1993</i>	1993 £m	1992 £m
Turnover	3	3161	2923
Cost of revenue	3	(2018)	(1879)
Gross profit		1143	1044
Operating expenses	4	(918)	(863)
Xerox Corporation charges	5	(100)	(98)
Income from associates	<i>12D</i>	116	86
Operating profit	6	241	169
Interest expense	7	(23)	(18)
Profit on ordinary activities before tax		218	151
Tax on profit on ordinary activities	8	(108)	(70)
Profit on ordinary activities after tax		110	81
Minority interests after tax		(1)	(2)
Profit for the financial year		109	79
Dividends paid and proposed	9	(72)	(68)
Retained profit for the year	<i>19B</i>	37	11

The notes on pages 44 to 65 form part of these financial statements.

RANK XEROX LIMITED AND SUBSIDIARIES
BALANCE SHEETS
 AT 31 OCTOBER 1993

	Note	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Fixed assets					
Intangible assets	10	7	8	-	-
Tangible assets	11	352	360	105	91
Investments	12	643	528	128	117
Total fixed assets		1002	896	233	208
Current assets					
Stocks	13	306	368	165	174
Debtors					
Due within one year	14A	1374	1335	518	376
Due after more than one year	14B	1335	1373	63	66
Deposits and cash		29	37	5	5
Total current assets		3044	3113	751	621
Creditors due within one year					
Borrowings	15A	638	645	68	47
Other creditors	15B	611	665	527	434
Net current assets		1795	1803	156	140
Total assets less current liabilities		2797	2699	389	348
Creditors due after more than one year					
Borrowings	16	960	960	6	10
Provisions for liabilities and charges	17	197	172	26	29
Net assets		1640	1567	357	309
Capital and reserves					
Called up share capital	18A	30	30	30	30
Share premium account	18B	7	7	7	7
Other reserves	19	773	710	(1)	(1)
Profit and loss account	19	827	815	321	273
Shareholders' funds		1637	1562	357	309
Minority interests		3	5	-	-
Total capital employed		1640	1567	357	309

Approved by the Board of Directors on 19 January 1994 and signed on its behalf by:


 B D Fournier
 Managing Director


 W R Goode
 Director, Finance & Control

RANK XEROX LIMITED AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
 FOR THE YEAR ENDED 31 OCTOBER 1993

	Note	1993 £m	1992 £m
Net cash inflow from operating activities before finance lease receivables	23A	243	116
Increase in finance lease receivables		(92)	(309)
Net cash inflow/(outflow) from operating activities		151	(193)
Returns on investments and servicing of finance			
Net interest expense		(23)	(18)
Dividends received from associates		15	14
Dividends paid to shareholders		(76)	(64)
Distributions to minorities		(2)	(1)
Net cash (outflow) from returns on investments and servicing of finance		(86)	(69)
Tax paid		(21)	(37)
Investing activities			
Purchase of tangible fixed assets		(123)	(131)
Sale of tangible fixed assets		30	36
Net cash (outflow) from investing activities		(93)	(95)
Net cash (outflow) before financing		(49)	(394)
Financing			
Net cash inflow from financing	23B	89	403
Increase in cash and cash equivalents	23C	40	9

RANK XEROX LIMITED AND SUBSIDIARIES
 SUPPLEMENTARY INFORMATION (FRS3)
 FOR THE YEAR ENDED 31 OCTOBER 1993

STATEMENT OF TOTAL RECOGNISED GAINS

	1993 £m	1992 £m
Profit for the financial year	109	79
Currency translation movement on foreign currency net investments	38	182
Total recognised gains for the year	147	261

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Profit for the financial year	109	79
Dividends paid and proposed	(72)	(68)
Retained profit for the year	37	11
Currency translation movement on foreign currency net investments	38	182
Issues of shares at a premium and surplus on share exchange	-	8
Net addition to shareholders' funds	75	201
Opening shareholders' funds	1562	1361
Closing shareholders' funds	1637	1562

HISTORICAL COST PROFIT AND LOSS

All assets are stated in the financial statements at historical cost. Accordingly, there are no adjustments required to the reported profit which is stated on an unmodified historical cost basis.

RANK XEROX LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

1. PRINCIPLES OF CONSOLIDATION AND ACCOUNTING POLICIES

The Group's major accounting policies are summarised below.

(A) Accounting convention The financial statements are prepared on an unmodified historical cost basis and in accordance with applicable United Kingdom Accounting Standards. These financial statements have been prepared incorporating the standard FRS3 "Reporting Financial Performance". There were no material acquisitions, disposals or exceptional items for the years ended 31 October 1992 and 1993. Statements of total recognised gains and reconciliation of movements in Shareholders' funds are included in these financial statements (page 43).

(B) Basis of consolidation These statements incorporate the financial statements of Rank Xerox Limited and all of its subsidiary undertakings, ('Rank Xerox Limited and Subsidiaries'), after elimination of intra-group transactions and the profits thereon.

(C) Translation of foreign currencies On consolidation, balance sheets of individual subsidiaries that are denominated in foreign currencies are translated into Sterling at the rates ruling at the balance sheet date. Profit and loss items are translated at rates approximating to the rates ruling when the transactions occurred and unrealised profits on intra-group transactions are eliminated at the rates ruling when such profits arose. Translation differences, which principally represent the gain or loss arising on overseas net assets as a result of changes in exchange rates during the year, are dealt with in the currency translation account (note 19) and reported on the Balance Sheet within 'Other reserves'. Gains and losses arising from foreign currency transactions are dealt with in the profit and loss account of the subsidiary concerned (note 4).

(D) Intangible fixed assets - Goodwill Purchased goodwill arising from any acquisitions is capitalised and amortised through the profit and loss account over its useful economic life (note 10).

(E) Tangible fixed assets These are carried at cost and adjusted for depreciation, on a straight line basis, at rates intended to write off the cost, less estimated residual value, over the estimated useful life of the respective assets, as follows:

Freehold land	Not depreciated
Freehold buildings	40 - 100 years
Leasehold land and buildings	Term of lease
Plant and machinery	5 - 13 years
Fixtures and fittings	10 - 20 years
Vehicles	3 - 5 years
Rental equipment	2 - 5 years

(F) Stocks Stocks are stated at the lower of cost and net realisable value (note 13).

(G) Unrealised intra-group profits Profits arising on the sale of equipment and supplies between Group companies, and on similar sales to associates, are deferred in the consolidated balance sheet along with the related tax, until realised. The unrealised element of profit is deducted from the carrying value of equipment and supplies, while the related tax is included within the deferred tax balance (note 17C).

(H) Leasing arrangements

As lessor: sales revenue is recognised when assets are leased to customers under finance lease agreements (which include sales-type lease agreements). The present value of the minimum lease payments is recorded as sales revenue; the cost or carrying value of the leased assets, less the present value of any residual, plus any related interest payable is charged to cost of revenue. Lease interest income is allocated to accounting periods so as to provide a constant rate of return on the net investment in the leases (note 20). The net investment in leases is included in Debtors (note 14). All other lease agreements with customers are classified as operating leases. Rental income from customers under operating leases is recognised in the profit and loss account as earned, and associated costs are charged to cost of revenue as incurred.

As lessee: assets employed under capital leases are recorded as tangible fixed assets at the lower of (a) the present value of the minimum lease payments when the lease begins, and (b) market value at that date. The corresponding obligations are classified as long term loans within Creditors (notes 15 and 16). Depreciation is charged to the profit and loss account on a straight line basis. All other leases are classified as operating leases and the rentals payable under such agreements are charged against profits as incurred.

(I) Pension costs

The actuarial cost and the pension expense for defined benefit plans are calculated in accordance with the United Kingdom Statement of Standard Accounting Practice No. 24 - Accounting for Pension Costs (note 21). In previous years pension costs were calculated in accordance with United States Statement of Financial Accounting Standards No. 87, as there was no material difference between pension costs under that method and those calculated under SSAP No. 24.

Prepayments relating to funded defined benefit pension schemes are included within Debtors (note 14). Provisions relating to unfunded pension schemes in certain overseas subsidiaries are included within Provisions for Liabilities and Charges (note 17).

The pension cost of the Group's defined contribution schemes represents contributions paid to these schemes during the year.

(J) Deferred taxation

Deferred taxation is computed under the liability method on differences arising when items of income and expenditure are included in the financial statements in periods which differ from those in which they are included in taxation computations. Provision for such differences is made to the extent that it is probable that a liability or asset will crystallise (note 17C). No provision is made where it is probable that an asset or liability will not crystallise. The Group has a deferred tax asset comprising tax on unrealised intra-group profits (note 1G).

(K) Research and development

Expenditure on product research and development is charged to profit and loss account as incurred.

(L) Company profit and loss account

As provided for by section 230 of the Companies Act 1985, no profit and loss account for Rank Xerox Limited is presented in these statements.

2. POST BALANCE SHEET EVENT

The Chairman's Statement (page 21) and the Directors' Report (page 37) refer to a post balance sheet event involving a significant restructuring programme.

3. TURNOVER AND COST OF REVENUE

(A) Content of turnover

This consists of revenue earned in the year from the sale and rental of document processing equipment, the sale of paper and supplies, the provision of service and maintenance, and interest income from leasing operations. Turnover includes sales to the Group's associates (note 1G).

(B) Intra-group transactions

The turnover of Rank Xerox Limited and Subsidiaries exceeds that of the Proforma Group because of a significant volume of transactions, covering equipment, goods and services, with the Rank Xerox Holding BV Group, which is owned directly by Xerox Corporation and a subsidiary of The Rank Organisation Plc. For the Proforma Group, these transactions are intra-group and therefore eliminated.

(C) Segmental information In accordance with the exemption allowed under Statement of Standard Accounting Practice No. 25 - Segmental Reporting, no further disclosure of segmental information is included in these Financial Statements as, in the opinion of the Directors, such disclosure would be seriously prejudicial to the interests of the Group.

(D) Treatment of Leasing Operations Interest and other income from finance leases and credit sale agreements and the related interest expense within leasing operations are an integral part of the marketing strategy of the Group and, in accordance with section 262 of the Companies Act 1985, fall within the Group's ordinary activities. Accordingly, leasing income and interest expense have been included within turnover and cost of revenue respectively.

OPERATING EXPENSES

(A) Operating expenses	Note	1993 £m	1992 £m
Distribution costs	4B	566	533
Administrative expenses	4C	352	330
Operating expenses		918	863

(B) Distribution costs Distribution costs include staff costs and overheads attributable to distribution centres in the Group's manufacturing locations, and salaries, commissions, support costs and other marketing expenses related to the Group's salesforce.

(C) Administrative expenses Administrative expenses of £352m (1992 - £330m) include the following (profit)/cost items:

Research and development expenditure incurred in the year		26	29
Redundancy programmes		17	13
Foreign exchange impacts on transactions	1C	2	(4)
Sale of surplus facilities		(4)	(4)
Auditors remuneration for audit work		1.3	1.2
Other services provided by KPMG, Peat Marwick (UK)		0.2	0.2

5 XEROX CORPORATION CHARGES

The Group is charged with a proportion of research and development and corporate overhead expenses incurred by its ultimate parent company, Xerox Corporation. These charges reflect the benefits that the Group receives from these activities, and amounted to £100m for the year ended 31 October 1993 (1992 - £98m).

6 OPERATING PROFIT

Changes in presentation introduced by Accounting Standard FRS3 Reporting Financial Performance require the separate disclosure of operating profit. The Group's document processing business includes associated operations in the Far East and South Pacific region; accordingly, as allowed under FRS3, paragraph 39, income from associates has been included within operating profit.

7 NET INTEREST EXPENSE

Analysis of Group interest for the year

	Note	1993 £m	1992 £m
Bank loans and other loans repayable within five years		159	145
Loans, other than from banks, not fully repayable within five years		4	2
Capital leases		1	1
		164	148
Less leasing interest expense included within Cost of revenue		(133)	(116)
Interest expense		31	32
Interest income:			
Short term deposits and loans to banks		(3)	(6)
Fellow subsidiaries (net) and other sources		(5)	(8)
Net interest expense		23	18

Interest income from finance leases and credit sale agreements within leasing operations of £256m (1992 - £221m) has been included in turnover.

8 TAX

Analysis of Group tax charge for the year

United Kingdom corporation tax:			
Current tax at 33% (1992 - 33%)		20	24
Double tax relief		(20)	(24)
Total current tax		-	-
Deferred tax		13	8
Total United Kingdom corporation tax		13	8
Overseas tax:			
current		17	18
deferred		14	3
Prior year adjustments:			
current		(11)	(14)
deferred		5	5
		38	20
Associates (predominantly Fuji Xerox Co., Ltd)	12D	70	59
Total Rank Xerox and Subsidiaries tax		108	70

During 1993, unrelieved overseas tax in respect of dividends amounted to £5m (1992 - £6m).

9 DIVIDENDS PAID AND PROPOSED

	1993 £m	1992 £m
Interim	72	64
Final	-	4
	72	68

10 INTANGIBLE FIXED ASSETS - GOODWILL

Capitalised goodwill is being amortised on a straight line basis over 20 years. The cost and net book value of goodwill at 31 October 1993 were £8.1m (1992 - £8.1m) and £7.5m (1992 - £7.9m) respectively. The amortisation charged to the profit and loss account in the year was £0.4m (1992 - £0.2m).

11 FIXED ASSETS - TANGIBLE ASSETS

(A) Group

	Land and Buildings	Plant and Machinery	Fixtures Fittings Tools and Equipment	Assets in Course of Construction	Rental Equipment	Total £m
Cost						
At 1 November 1992	191	93	330	5	171	790
Additions	14	5	28	18	58	123
Disposals	(8)	(4)	(26)	-	(84)	(122)
Net stock transfers	-	-	5	-	(3)	2
Currency translation	(10)	(2)	(15)	(4)	(10)	(41)
At 31 October 1993	187	92	322	19	132	752
Depreciation Provision						
At 1 November 1992	56	54	208	-	112	430
Charge for period	7	6	50	-	44	107
Disposals	(3)	(3)	(24)	-	(65)	(95)
Net stock transfers	-	-	(19)	-	(2)	(21)
Currency translation	(2)	(2)	(11)	-	(6)	(21)
At 31 October 1993	58	55	204	-	83	400
Net book value						
At 31 October 1993	129	37	118	19	49	352
At 31 October 1992	135	39	122	5	59	360

(B) Analysis of net book value of Land and Buildings

	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Freehold	100	98	39	30
Short leasehold	24	27	-	5
Long leasehold	5	10	2	2
	129	135	41	37

(C) Company

	Land and Buildings	Plant and Machinery	Fixtures Fittings Tools and Equipment	Assets in Course of Construction	Total £m
Cost					
At 1 November 1992	44	37	84	2	167
Additions	8	3	10	13	34
Disposals	(4)	(1)	(5)	-	(10)
At 31 October 1993	48	39	89	15	191
Depreciation Provision					
At 1 November 1992	7	21	48	-	76
Charge for period	1	2	13	-	16
Disposals	(1)	-	(5)	-	(6)
At 31 October 1993	7	23	56	-	86
Net book value at 31 October 1993	41	16	33	15	105
Net book value at 31 October 1992	57	16	36	2	91

(D) Additional fixed asset data

Rental equipment consists of document processing equipment on rental to customers under operating leases.

The cost of fixed assets for both the Group and the Company includes £6m (1992 - £5m) in respect of interest capitalised on long term construction projects.

Land and buildings of the Group includes £30m (1992 - £20m) of land which is not depreciated.

Net book value of the Group includes assets held under finance leases of £11m (1992 - £14m) and related depreciation provided in the year was £2m (1992 - £2m).

12 FIXED ASSETS - INVESTMENTS

(A) Group

	Note	Fuji Xerox	Other Associates and loans	Total £m
At 1 November 1992		513	15	528
Retained income for the year	12D, 12E	25	-	25
Currency translation on the Group's share of net assets in associates		90	-	90
At 31 October 1993		628	15	643

(B) Company

	Subsidiaries	Associates & other loans	Total £m
At 1 November 1992	105	12	117
Net additions in the year	11	-	11
At 31 October 1993	116	12	128

(C) Associates

The Company's balance sheet reflects its investment in associated undertakings ('associates') at cost. The Group's share of the net assets of associates is reflected in the consolidated balance sheet and is translated from overseas currencies in accordance with the principles stated in note 1C.

No provision has been made for any additional taxation which would arise if the investments in associates were disposed of at their balance sheet values, or if their retained profits, treated as non-distributable reserves in note 19, were subject to distribution.

(D) Income from associates

	Note	Group 1993 £m	Group 1992 £m
Income before tax		116	86
Tax		(70)	(50)
Income after tax		46	36
Dividends		(21)	(14)
Transfer to non-distributable reserves	19B	25	23

(E) Fuji Xerox Co., Ltd.

The principal associate is Fuji Xerox Co., Ltd. incorporated in Japan, in which the Company owns 50 per cent of the issued ordinary share capital. Fuji Xerox Co., Ltd manufactures and markets document processing equipment and related supplies in Japan, the Far East and in the South Pacific region, and prepares its accounts to 20 October in each financial year. Transactions between 20 October and 31 October, the Group's balance sheet date, are not material.

The summarised financial information set out below is based on the audited consolidated financial statements of Fuji Xerox Co., Ltd for the years ended 20 October 1993 and 20 October 1992.

	1993 £m	1992 £m
Balance Sheet		
Fixed assets	1732	1501
Net current assets	577	401
Total assets less current liabilities	2309	1902
Creditors due after more than one year	(918)	(758)
Net assets	1391	1144
Attributable to the Group		
Group's share of net assets	695	572
Dividends	(19)	(13)
Intercompany eliminations	(48)	(46)
Group's share of net assets in Fuji Xerox	628	513
Profit and Loss Account - Extracts		
Turnover	4106	2962
Depreciation and amortisation	266	199
Profit on ordinary activities before tax	225	165
Attributable to the Group		
Income before tax	113	83
Tax	(69)	(49)
Dividends	(19)	(13)
Fuji Xerox transfer to non-distributable reserves	25	21

(F) Other loans

Other loans consist of advances to the trustees of the Rank Xerox Share Purchase Scheme, to enable them to acquire 'E' shares in the Company. They do not currently bear interest.

(G) Subsidiaries

The principal subsidiaries of Rank Xerox Limited at 31 October 1993 were as follows:	Country of Incorporation	Percentage of ordinary share capital owned		
		Direct	Indirect	Total
Rank Xerox Austria GmbH	Austria	100	-	100
Rank Xerox Vertriebs GmbH *	Austria	-	100	100
NV Rank Xerox Credit SA *	Belgium	100	-	100
NV Rank Xerox SA	Belgium	100	-	100
Rank Xerox A/S	Denmark	100	-	100
Rank Xerox Finans A/S *	Denmark	-	100	100
Rank Xerox (Copy Bureaux) Limited	England	-	100	100
Rank Xerox Finance Limited *	England	-	100	100
Rank Xerox (Ireland) Limited	England	100	-	100
Rank Xerox (R & S) Limited	England	-	100	100
Rank Xerox (UK) Limited	England	100	-	100
Rank Xerox Oy	Finland	100	-	100
Xerobail SA *	France	-	100	100
Eurofinance SA *	France	-	66	66
Office de Transformation Papetière SA	France	-	100	100
Rank Xerox SA	France	100	-	100
Rank Xerox GmbH	Germany	100	-	100
Rank Xerox Leasing GmbH *	Germany	100	-	100
Rank Xerox Greece SA	Greece	100	-	100
Rank Xerox (Hong Kong) Limited	Hong Kong	100	-	100
Rank Xerox SpA	Italy	100	-	100
Rank Xerox Noleggi SpA *	Italy	-	100	100
Rank Xerox Kenya Limited	Kenya	100	-	100
Rank Xerox (Nederland) BV	The Netherlands	100	-	100
Rank Xerox Finance (Nederland) BV	The Netherlands	100	-	100
Rank Xerox Leasing International Finance BV *	The Netherlands	100	-	100
Rank Xerox Rentallease BV *	The Netherlands	-	100	100
Rank Xerox (Nigeria) Limited	Nigeria	60	-	60
Rank Xerox AS	Norway	100	-	100
Rank Xerox Portugal Equipamentos de Escritorio Limitada	Portugal	74	26	100
Credifix - Aluguer de Equipamentos SA *	Portugal	-	100	100
Rank Xerox Española SA	Spain	100	-	100
Rank Xerox de Financiacion SA *	Spain	-	100	100
Rank Xerox A.B.	Sweden	100	-	100
Finansaktiebolaget Rank Xerox Credit *	Sweden	-	100	100
Rank Xerox AG	Switzerland	100	-	100
Rank Xerox Finance AG *	Switzerland	100	-	100
Xerox Büro Araçları Ticaret ve Servis AS	Turkey	100	-	100
Rank Xerox Uganda Limited	Uganda	100	-	100

Subsidiaries marked * are involved solely with the leasing of document processing equipment.

All of the principal subsidiaries, as defined by section 258 of the Companies Act 1985, are included in the Group consolidation.

The principal activities of the above subsidiaries are the development, manufacture, marketing, maintenance and leasing of document processing equipment.

13 STOCKS

	Note	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Finished goods and goods for resale					
Equipment		153	191	93	105
Spares, consumables and paper		123	138	52	43
Raw materials, consumables and work in progress		30	39	20	26
	IF	306	368	165	174

14 DEBTORS

(A) Due within one year

Finance lease receivables	20B	630	613	-	-
Trade debtors		377	413	22	15
Prepayments and accrued income		200	202	17	32
Amounts owed by:					
Fellow subsidiaries		76	49	23	4
Xerox Corporation and subsidiaries		61	39	57	37
Group companies - dividends		-	-	100	25
Group companies - other		-	-	267	241
Associates		25	19	24	19
Current tax		5	-	8	3
		1374	1335	518	376

(B) Due after more than one year

Finance lease receivables	20B	1177	1205	-	-
Pension prepayments	21	141	138	59	59
Current tax		7	-	-	-
Other debtors		10	30	4	7
		1335	1373	63	66

Other debtors due after more than one year include a loan of £20,000 (1992 - £20,000) to an officer of the Company.

15 CREDITORS - DUE WITHIN ONE YEAR

(A) Borrowings

	Note	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Bank loans and overdrafts					
Long term loans	16D	483	402	3	3
Overdrafts and acceptances		155	243	65	44
		638	645	68	47

(B) Other creditors

Accruals and deferred income		324	349	44	37
Trade creditors		123	127	37	33
Amounts owed to:					
Xerox Corporation and subsidiaries		12	66	26	42
Fellow subsidiaries		63	84	64	78
Group companies		-	-	352	236
Other creditors and social security		59	32	4	4
Dividends payable		-	4	-	4
Current tax		-	5	-	-
		611	665	527	434

16 BORROWINGS - DUE AFTER MORE THAN ONE YEAR

(A) Analysis by category

Long term loans					
Bank loans and overdrafts	16B	748	838	-	-
Public and private bond issues		200	90	-	-
Other loans	16C	12	32	6	10
	16D	960	960	6	10

(B) Short/long term classification

Certain amounts repayable within one year, which are supported by committed bank facilities extending between one and five years, under which the loans can be refinanced on a continuing basis, have been included in bank loans and overdrafts falling due after more than one year; £440m (1992 - £441m) of debt supported by committed facilities has been classified in this way.

(C) Secured and Other loans

The aggregate amount of secured loans was £4m (1992 - £4m) for the Group. There were no secured loans to the Company. The category 'Other loans' includes non-current capital lease obligations, which are specifically secured on the leased assets involved.

(D) Repayment profile of total long term loans from balance sheet date

	Note	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Due within one year	15A	483	402	3	3
Due after more than one year					
Second year		359	475	2	2
Third year		282	278	2	3
Fourth year		177	152	1	2
Fifth year		13	48	1	1
Sixth to tenth year*		127	4	-	1
Thereafter*		2	3	-	1
Total due after more than one year	16A	960	960	6	10
		1443	1362	9	13

* £4m (1992 - £7m) is repayable by instalments.

(E) Currencies in which loans are denominated

	Group interest rate*	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Loans and capitalised leases not fully repayable within five years					
Sterling	8.7%	129	7	4	7
Other currencies	8.4%	7	7	-	-
Loans and capitalised leases fully repayable within five years					
French francs	9.0%	382	424	-	-
Sterling	8.0%	278	270	5	6
German marks	8.3%	181	197	-	-
Dutch guilders	8.2%	137	49	-	-
Spanish pesetas	10.5%	87	110	-	-
Swiss francs	6.5%	53	46	-	-
Italian lira	11.7%	44	47	-	-
Danish kroner	9.4%	40	30	-	-
US dollars		-	85	-	-
Other currencies	8.8%	105	90	-	-
		1443	1362	9	13

* Based on rates ruling at 31 October 1993.

17 PROVISIONS FOR LIABILITIES AND CHARGES

(A) Composition

	Note	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Pensions and similar obligations	21	128	124	-	-
Other provisions	17B	20	26	4	6
Deferred tax	17C,17D	49	22	22	23
		197	172	26	29

(B) Utilisation

The utilisation of other provisions was solely for the purposes for which they were originally established.

(C) Deferred tax

		1993 Potential liability £m	1993 Provision in accounts £m	1992 Potential liability £m	1992 Provision in accounts £m
Group					
Fixed assets		(82)	(26)	(20)	-
Finance leases		224	51	95	15
Other		14	35	35	20
		156	60	110	35
Tax on unrealised intra-Group profits on stocks and rental equipment	1G	(11)	(11)	(15)	(13)
Balance at 31 October		145	49	97	22
Company					
Fixed assets		1	-	1	-
Other		22	22	19	23
Balance at 31 October		23	22	20	23

Timing differences relating to pension costs are included under other timing differences.

(D) Movements on the deferred tax provision

	Group £m	Company £m
Balance at 1 November 1992	22	23
Profit and loss account	32	(1)
Currency translation	(5)	-
Balance at 31 October 1993	49	22

CALLED UP SHARE CAPITAL AND SHARE PREMIUM ACCOUNT

The Company's share capital	Shares of £1 each divided into classes as follows:	Authorised	Issued and fully paid	Issued and fully paid
		£m	1993 £m	1992 £m
	'A' Shares	7.6	7.4	7.4
	'B' Shares	7.6	7.4	7.4
	'C' Shares	7.3	7.6	7.6
	'D' Shares	7.6	7.6	7.6
	'E' Shares	0.1	0.1	0.1
		30.7	30.1	30.1

The Company's share premium account	Attributable as follows:	1993	1992
		£m	£m
	'C' Shares	2.6	2.6
	'D' Shares	1.3	1.3
	'E' Shares	3.0	3.0
		6.9	6.9

OTHER RESERVES AND PROFIT AND LOSS ACCOUNT

Analysis of other reserves	Note	Group	Group	Company	Company
		1993	1992	1993	1992
		£m	£m	£m	£m
Non-distributable reserves					
Group companies	19B	66	66	-	-
Associates	19B	371	346	-	-
Currency translation	19B	336	298	(1)	(1)
		773	710	(1)	(1)

(B) Movements in reserves

Note	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Currency translation				
At 1 November	298	116	(1)	(2)
Movement in year	38	182	-	1
At 31 October	336	298	(1)	(1)

Of the Group currency translation reserve at 31 October 1993, £305m (1992 - £215m) relates to Fuji Xerox Co., Ltd.

	Profit and loss account		Non-distributable reserves	
	Group	Company	Group	Associates
Other reserves and profit and loss account				
At 1 November 1992	815	273	66	346
Retained profit for the year	37	48	-	-
Transfers	12D	(25)	-	25
At 31 October 1993	827	321	66	371

(C) Allocation of reserves

The profit and loss account and non-distributable reserves at 31 October 1993 have been allocated in accordance with the Company's Articles of Association, as follows:

	Profit and loss account		Non-distributable reserves	
	Group	Company	Group	Associates
A Shares reserves	17	7	1	3
B Shares reserves	17	7	1	3
General reserves	793	307	64	365
	827	321	66	371

(D) Other reserve data

The Group profit after tax includes a profit of £120m (1992 - £49m) attributable to the shareholders of Rank Xerox Limited, which has been dealt with in the financial statements of that Company.

In the event of the distribution of the retained profit and loss account balances reflected in the consolidated financial statements, withholding and other taxes would become payable by certain overseas subsidiaries and associates.

20 LEASING ARRANGEMENTS

(A) As lessee

The commitment at 31 October 1993 to make operating lease payments in the year to 31 October 1994 relates to leases which expire as follows:

Group	1993		1992	
	Land and Buildings £m	Other £m	Land and Buildings £m	Other £m
Leases expiring in:				
One year	4	5	2	6
Years two to five	15	21	17	22
More than five years	17	1	16	1
	36	27	35	29
Company				
Leases expiring in:				
One year	1	1	-	2
Years two to five	-	6	1	4
More than five years	2	-	2	-
	3	7	3	6

Rentals under operating leases charged against profits amounted to £84m (1992 - £75m) for the Group. Of this, hire of plant and machinery amounted to £12m (1992 - £7m).

(B) As lessor

The Group leases equipment to customers under both operating leases and finance leases. The net investment in finance leases at 31 October 1993 consisted of minimum lease payments due in the following years after the balance sheet date:

	Note	Group 1993 £m	Group 1992 £m*
First year		816	814
Second year		612	605
Third year		442	441
Fourth year		260	274
Fifth year		86	113
Thereafter		17	23
Total minimum lease payments receivable		2233	2270
Unguaranteed residual values		64	65
Deferred interest income		(450)	(478)
Allowance for doubtful debts		(40)	(39)
Net investment in finance leases	14	1807	1818

There are no finance leases in the Company.

Operating lease income in the year was £123m (1992 - £121m).

* The comparative figures for the repayment profile have been reclassified in respect of £119m of minimum lease payments receivable over two to five years, which were originally shown as due in more than five years.

The Group operates various pension schemes consisting of both defined benefit plans and state sponsored schemes of a defined contribution nature. The majority of the defined benefit schemes are self administered and the schemes' assets are held independently of the Group's finances. Valuations of the defined benefit schemes operated by the Group are undertaken by qualified actuaries at least every three years, using the projected unit method and the annual contributions are paid in accordance with their recommendations.

Included in pension prepayments of £141m (1992 - £138m), within Debtors (note 14), is £121m (1992 - £121m) relating to the United Kingdom Final Salary scheme, which is the Group's principal funded defined benefit pension scheme. Actuarial valuations of this scheme are carried out triennially, with the most recent valuation made as at 31 August 1992 using the projected unit method. This latest valuation showed that the market value of the assets of the scheme was £528m and that the actuarial value of those assets represented 137% of the benefits that had been accrued to members, after allowing for expected future increases in earnings. The excess funding is being spread over the average future working lives of members in equal capital instalments with an interest credit on the outstanding balance. The assumptions which have the most significant effect on the results of the valuations are the relationships between the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 2.3% per annum higher than the rate of annual salary increases and 4.3% per annum higher than the rate of increase of present and future pensions.

Acting on the advice of the actuaries no further contributions by the Group are currently required to the United Kingdom scheme and none are likely to be required during the next financial year.

Included in pensions and similar obligations of £128m (1992 - £124m), within Provisions for liabilities and charges (note 17A), is £95m (1992 - £90m) relating to the German scheme, which is the Group's principal unfunded defined benefit plan. The significant assumptions used in accounting for the German scheme are a discount rate of 7.3%, future salary increases of 4%, and post retirement pension increases of 2%. The most recent actuarial valuation for this scheme was at 31 July 1993.

The net pension cost for the defined benefit schemes of the Group in 1993 was £15m (1992 - credit £9m). The net pension cost for the defined contribution schemes and other schemes operated in accordance with local practice and legislation was £11m (1992 - £7m). The 1993 net pension costs reflect the results of the 1992 valuation of the UK Final Salary scheme. These results showed a higher regular cost and lower surplus than would have been expected from the results of the previous valuation.

22 DIRECTORS AND EMPLOYEES

(A) Average number of persons (including Directors) employed by the Group during the year

	1993 Number	1992 Number
Marketing operations	21,912	22,649
Manufacturing operations	2,510	2,533
	24,422	25,182
	1993 £m	1992 £m
The aggregate payroll costs of these persons were as follows:		
Wages and salaries	614	582
Social security costs	104	93
Other pension costs	22	20
	740	695

(B) Remuneration of Directors

Remuneration of Chairman and Directors of Rank Xerox Limited	1993 £000's	1992 £000's
Emoluments for services as Executives * Includes an ex gratia payment of £352,500 to an ex-director of the Company	5,408*	3,629
Emoluments of individual Directors:		
Highest paid Director	611	692
Chairman	43	34
	1993 Number	1992 Number
Nil	4	3
£30,001 - £35,000	-	3
£40,001 - £45,000	3	-
£65,001 - £70,000	1	-
£105,001 - £110,000	-	1
£125,001 - £130,000	-	1
£130,001 - £135,000	1	-
£150,001 - £155,000	1	-
£195,001 - £200,000	-	1
£205,001 - £210,000	-	1
£225,001 - £230,000	-	1
£245,001 - £250,000	1	-
£295,001 - £300,000	1	-
£355,001 - £360,000	1	-
£375,001 - £380,000	-	1
£410,001 - £415,000	-	1
£460,001 - £465,000	-	1
£525,001 - £530,000	1	-
£545,001 - £550,000	-	1
£550,001 - £555,000	1	-
£610,001 - £615,000	1	-
£690,001 - £695,000	-	1

(C) Directors' interests

The interests of the Directors of Rank Xerox Limited in office as at 31 October 1993 (including family interests) in the stock of Xerox Corporation are as follows:

		Common stock par value \$1.00 holding (units)	Common stock par value \$1.00 options (units)	Deferred compensation in Xerox stock fund	Series 'B' convertible preferred stock (units)
P.A. Allaire	a	33,035	196,580	-	213,821
	b	22,838	187,790	-	143,321
B.D. Fournier	a	4,278	31,716	-	-
	b	-	38,609	-	-
W.R. Goode	a	-	6,700	-	-
	b	-	6,600	-	-
O.P.M. Grouès	a	-	6,300	-	-
	b	-	5,900	-	-
L.L. Haddon	a	900	5,000	-	-
	b	900	7,500	-	-
W.R. Hicks	a	12,736	50,303	-	176,620
	b	8,583	63,805	-	143,321
J.R. Milligan	a	7,068	18,514	-	213,149
	b	5,832	19,842	-	143,321
R.T. Orrico	a	330	3,700	-	193,723
	b	759	3,675	-	126,384
G. Rabbat	a	-	1,200	-	-
	c	-	1,200	-	-
B.D. Romeril	a	500	40,093	\$175,000	-
	c	-	40,593	\$175,000	-
S.K. Singh	a	-	3,000	-	119,446
	b	-	6,100	-	75,447

- a Holding at 31 October 1993
- b Holding at 1 November 1992
- c Holding at date of appointment

Apart from the interests set out above, no Director in office at 31 October 1993 had any interest in the shares or debentures of the Company, Xerox Corporation or other Group companies during the year under review.

23 NOTES TO CONSOLIDATED CASH FLOW STATEMENT

(d) Reconciliation of operating profit to net cash inflow before finance lease receivables

	1993 £m	1992 £m
Operating profit	241	169
Income from associates	(116)	(86)
Depreciation and other items not involving the movement of cash	105	94
Net movement in working capital		
Decrease/(increase) in debtors	20	(136)
Decrease/(increase) in stocks	39	(46)
(Decrease)/increase in creditors	(25)	95
Effect of foreign exchange rate changes	(21)	26
Net cash inflow from operating activities before finance lease receivables	243	116

(E) Loan finance

Loan finance comprises:		
Creditors - due within one year*	556	529
- due after more than one year	960	960
Debtors - due within one year	(76)	(49)
- due after more than one year	(2)	(15)
	1438	1425
The movement in loan finance comprises:		
At 1 November	1425	869
Bank loans and overdrafts with original maturity over three months	63	246
Notes payable after three months	(26)	65
Bond issues, other loans and finance lease payments	103	40
Fellow subsidiary loans	(51)	52
Net movement in loan finance in the year	89	403
Effect of foreign exchange rate changes	(76)	150
Inception of capital leases	-	3
At 31 October	1438	1425

* Consists mainly of long term loans £483m (1992 - £402m) and those overdrafts and acceptances with original maturity over three months £56m (1992 - £86m).

(C) Cash and cash equivalents

	1993 £m	1992 £m
Deposits and cash	29	37
Creditors due within one year*	(99)	(157)
Total cash and cash equivalents	(70)	(120)
Increase in cash and cash equivalents	50	1
Adjust for the effect of foreign exchange rate changes	(10)	8
Net increase in cash and cash equivalents in the year after currency	40	9

* Consists of overdrafts and acceptances with original maturity less than three months.

24 CAPITAL EXPENDITURE

No provision has been made in the financial statements for the following capital expenditure, which excludes acquisitions of document processing equipment in the ordinary course of business.

	Group 1993 £m	Group 1992 £m	Company 1993 £m	Company 1992 £m
Contracted expenditure	15	12	9	7
Expenditure authorised but not committed	11	94	9	59
	26	106	18	66

25 CONTINGENT LIABILITIES

(A) The Group

There are contingent liabilities, arising from the ordinary activities of the Group, which amount to approximately £24m (1992 - £20m) in respect of bills discounted, guarantees and other liabilities. Of this, £7m (1992 - £6m) relates to guarantees of loans and bank overdrafts of fellow subsidiaries.

(B) The Company

Loans and bank overdrafts of Group companies and fellow subsidiaries have been guaranteed by the Company; at 31 October 1993 £313m (1992 - £192m) was outstanding.

26 ULTIMATE PARENT COMPANY

The Company's ultimate parent company is Xerox Corporation, which is incorporated in the United States of America. Copies of the Xerox Corporation Annual Report and Accounts may be obtained from The Investor Relations Department, Xerox Corporation, P O Box 1600, Stamford, Connecticut 06904, U.S.A.

DIRECTORS' RESPONSIBILITIES

Company law requires Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss for the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS

To the members of Rank Xerox Limited.

We have audited the financial statements on pages 40 to 65.

Respective responsibilities of Directors and Auditors

As described above, the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, or other irregularity, or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 October 1993 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick

KPMG Peat Marwick
Chartered Accountants
Registered Auditors
London
19 January 1994

RANK XEROX LIMITED AND SUBSIDIARIES FIVE YEAR FINANCIAL SUMMARY

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	1993 £m	1992 £m	1991 £m	1990 £m	1989 £m
Turnover	3161	2923	2765	2913	2756
Profit from ordinary activities other than associates	202	163	206	226	221
Income from associates	116	86	102	110	118
Profit on sale of discontinued operations	-	-	-	57	-
Xerox Corporation charges	(100)	(98)	(102)	(94)	(101)
Profit on ordinary activities before tax	218	151	206	299	238
Tax on profit on ordinary activities	(108)	(70)	(89)	(117)	(110)
Profit after tax	110	81	117	182	128
Minority interests after tax	(1)	(2)	(2)	(2)	(1)
Profit for the financial year	109	79	115	180	127
Dividends paid and proposed	(72)	(68)	(55)	(143)	(58)
Retained profit for the year	37	11	60	37	69

CONSOLIDATED BALANCE SHEET

Fixed assets	1002	896	726	646	772
Net current assets	1795	1803	1386	1305	1158
Total assets less current liabilities	2797	2699	2112	1951	1930
Creditors due after more than one year	960	960	612	573	556
Provisions for liabilities and charges	197	172	129	115	100
Net assets	1640	1567	1371	1263	1274
Share capital and premium	37	37	33	33	33
Other reserves	1603	1530	1338	1230	1241
Profit and loss account	827	815	823	798	798
Shareholders' funds	1637	1562	1361	1253	1266
Minority interests	3	5	10	10	8
Total capital employed	1640	1567	1371	1263	1274