

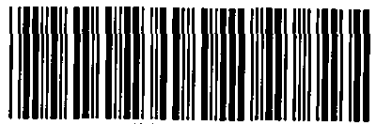
Company Registration No. 3378281

SSD UK Limited

Report and Financial Statements

31 December 2007

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SSD UK Limited

Report and financial statements 2007

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SSD UK Limited

Report and financial statements 2007

Officers and professional advisers

Directors

A S Tasker (Resigned 11 January 2008)

J T Tasker (Resigned 11 January 2008)

B W Spencer

R L Phillips

Secretary

R L Phillips

Registered Office

Capital Tower
91 Waterloo Road
London
SE1 8RT

Bankers

Barclays Bank Plc
PO Box 25
Northampton
NN1 4YD

RBS
PO Box 39952
1/2 Devonshire Square
London
EC2M 4XJ

Solicitors

Raworths LLP Solicitors
Eton House
89 Station Parade
Harrogate
North Yorkshire
HG1 1HF

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

SSD UK Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2007

Principal activities, results and business review

The company's principal activity during the year was specialist window cleaning

As shown in the profit and loss account on page 7 the company's sales have increased by 14.4% over last years full trading to £4.4m. The company continued to trade unprofitably with a loss before tax of £0.8m although this represented a 34% improvement over last year (2006 – loss of £1.3m)

The company's balance sheet on page 9 shows a net increase in cash of £2.8m over last year (overdrafts and cash in hand) (2006 – decrease £0.3m) and an increase in net liabilities of £0.6m (2006 – £0.8m)

The directors continue to take action to develop the profitability of the company and to maximise the benefits to the company within the constraints of prevailing market conditions

Interserve plc, the ultimate parent company, manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for the understanding of the development, performance or position of the business. The performance of the Specialist Services Division of Interserve plc, which includes the company, is discussed in the group's Annual report which does not form part of this report

Results and dividends

The company's loss after taxation for the year of £613,000 (2006 – loss of £808,000) is transferred from reserves. The directors do not recommend the payment of a dividend (2006 – £nil)

Directors and their interests

The directors who served during the year and subsequently were as follows

A S Tasker (Resigned 11 January 2008)
J T Tasker (Resigned 11 January 2008)
B W Spencer
R L Phillips

None of the directors in office at the end of the year held any interests in the ordinary share capital of the company

Creditor payment policy

The company does not follow any code or standard on payment practice. It agrees appropriate terms and conditions for its transactions with each supplier, these range from standard written terms to individually negotiated contracts. Payments to suppliers should be made in accordance with those terms and conditions, provided that the supplier has met its obligations under those terms and conditions. Trade creditors at 31 December 2007 represented 79 days of purchases (2006 – 34 days)

SSD UK Limited

Directors' report

Employees

The company gives full consideration to applications for employment made by persons with reduced mobility, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event that an employee becomes disabled, every effort is made to ensure their continued employment and to arrange appropriate training. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as practicable, be identical to that of a person who does not suffer from a disability. The company has continued its policy of regularly consulting and communicating with its employees through newsletters, briefing meetings and announcements on notice boards.

Donations

There were no charitable or political donations in the year (2006 – £nil)

Principal risks and uncertainties including financial risk management

The company's operations expose it to a variety of financial risks that include the effects of credit risk and liquidity risk. The directors actively manage these by monitoring levels of risk and the related costs.

The company has implemented credit control policies including carrying out appropriate credit checks on potential customers before sales are made and reviewing collection periods.

The company utilises group finance to ensure that the company has sufficient available funds for its operations and its required level of working capital.

Auditors

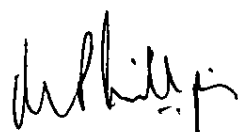
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director 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 in order 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 s234ZA of the Companies Act 1985.

Deloitte & Touche LLP were appointed auditors of the company and have expressed their willingness to continue in office as auditors and a resolution to appoint them will be proposed at the forthcoming Annual General Meeting.

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



R L Phillips
Secretary

18 September 2008

SSD UK Limited

Statement of directors' responsibilities

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). The financial statements are required by law to 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SSD UK Limited

Profit and loss account Year ended 31 December 2007

Independent auditors' report to the members of SSD UK Limited

We have audited the financial statements of SSD UK Limited for the year ended 31 December 2007 which comprise the profit and loss account, the reconciliation of movements in shareholders' funds, the balance sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you, whether in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 company'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.

SSD UK Limited

Profit and loss account Year ended 31 December 2007

Independent auditors' report to the members of SSD UK Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London, United Kingdom

18 September 2008

SSD UK Limited

Profit and loss account Year ended 31 December 2007

	Notes	2007 £'000	2006 £'000
Turnover	2	4,411	3,854
Cost of sales		(3,860)	(3,729)
Gross profit		<u>551</u>	<u>125</u>
Administrative expenses		(1,398)	(1,409)
Operating loss	3	(847)	(1,284)
Interest payable and similar charges	5	(3)	(4)
Loss on ordinary activities before taxation		(850)	(1,288)
Tax credit on loss on ordinary activities	6	237	480
Loss for the financial year		<u>(613)</u>	<u>(808)</u>

All of the company's activities are classified as continuing

The above results are stated on an historical cost basis

There were no recognised gains or losses during either the current year or previous year other than the loss above
Accordingly no separate statement of recognised gains and losses has been presented

SSD UK Limited

Reconciliation of movements in shareholders' funds

	2007 £'000	2006 £'000
Loss for the year	(613)	(808)
Net addition to shareholders' deficit	(613)	(808)
Opening shareholders' deficit	(1,419)	(611)
Closing shareholders' deficit	<u>(2,032)</u>	<u>(1,419)</u>

SSD UK Limited

Balance sheet 31 December 2007

	Notes	2007 £'000	2006 £'000
Fixed assets			
Tangible assets	7	57	128
Current assets			
Stocks - consumables		24	48
Debtors	8	1,139	3,284
Cash at bank and in hand		794	508
		1,957	3,840
Creditors amounts falling due within one year	9	(4,046)	(5,387)
Net current liabilities		(2,089)	(1,547)
Total assets less current liabilities		(2,032)	(1,419)
Net liabilities		(2,032)	(1,419)
Capital and reserves			
Called up share capital	10	20	20
Profit and loss account	11	(2,052)	(1,439)
Shareholders' deficit		(2,032)	(1,419)

These financial statements were approved by the Board of Directors on
Signed on behalf of the Board of Directors

2008

B W Spencer
Director



18 September 2008

SSD UK Limited

Notes to the accounts Year ended 31 December 2007

1. Accounting policies

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

The company is exempt from the requirements of Financial Reporting Standard No 1 (Revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Interserve plc, and its cash flows were included within the consolidated cash flow statement of that company.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers and is recognised upon delivery of the service.

Tangible fixed assets and depreciation

Tangible fixed assets are shown at cost, being purchase cost together with any incidental costs of acquisition, less accumulated depreciation and any provision for impairment. Depreciation is calculated on a straight-line basis at rates appropriate to the expected useful economic lives and estimated residual values of the assets as follows:

Leasehold property improvements	20% per annum
Plant and machinery	20% - 33% per annum
Motor vehicles	33% per annum

Stocks

Stocks, which comprise materials held for use on contracts, are stated at the lower of cost and net realisable value.

Trade debtors

Trade debtors are carried at their estimated realisable value after providing for debts where collection is doubtful.

Current taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is provided for in full on all timing differences and is calculated, without applying discount factors, at the average tax rates expected to apply in the years in which timing differences are expected to reverse. Deferred tax assets are recognised to the extent that, in the view of the directors, there are expected to be appropriate taxable profits within the foreseeable future from which the asset can be deducted.

Leases

Assets obtained under finance lease contracts are included as tangible fixed assets at their capital value and depreciated over their estimated useful lives. The corresponding liability, net of finance charges, is recorded as a creditor and the finance element of the liability is charged to the profit and loss account over the year of the contract. Rentals payable under operating leases are charged to the profit and loss account in the year to which they relate.

Pensions

Costs in respect of pension contributions to money purchase schemes are charged to the profit and loss account in the year in which they are incurred.

SSD UK Limited

Notes to the accounts Year ended 31 December 2007

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company and arise wholly within the United Kingdom

3 Loss on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2007 £'000	2006 £'000
Fees payable to company's auditors		
- audit of the company's annual accounts	5	8
Doubtful debt expense	-	347
Depreciation of tangible fixed assets	61	146
(Profit)/loss on sale of tangible fixed assets	(2)	5
Hire of plant and machinery	110	122
Rentals payable under other operating leases	216	244
Leasehold property rental	168	172
	<u> </u>	<u> </u>

4. Information regarding directors and employees

The services of operatives on contracts have been provided by a fellow subsidiary company. Therefore, the company has no employees

	2007 £'000	2006 £'000
Directors:		
Emoluments	128	177
	<u> </u>	<u> </u>
Company contributions paid to money purchase pension schemes	-	-
	<u> </u>	<u> </u>

Retirement benefits under money purchase pension schemes are not accruing to any directors (2006 – none) in office at the year end

	2007 £'000	2006 £'000
The amounts in respect of the highest paid director are as follows		
Emoluments	79	90
	<u> </u>	<u> </u>
Company contributions paid to money purchase pension scheme	-	-
	<u> </u>	<u> </u>

5. Interest payable and similar charges

	2007 £'000	2006 £'000
On bank overdrafts and other loans wholly repayable within five years	3	4
	<u> </u>	<u> </u>

SSD UK Limited

Notes to the accounts Year ended 31 December 2007

6 Tax on credit on loss on ordinary activities

	2007 £'000	2006 £'000
UK corporation tax credit at 30% (2006 – 30%)		
- current year group relief receivable	(237)	(440)
Deferred taxation charge		
- current year	-	60
- prior year	-	(100)
	<u>(237)</u>	<u>(480)</u>

Current tax

The current tax for the year differs from the standard rate of corporation tax in the UK (30%)¹. The difference is explained as follows

	2007 £'000	2006 £'000
Loss on ordinary activities before tax	(850)	(1,288)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	(255)	(386)
Effects of		
Expenditure not deductible for tax purposes	2	5
Capital allowances in excess of depreciation	16	17
Other timing differences	-	(76)
	<u>(237)</u>	<u>(440)</u>

Deferred tax.

The deferred tax recognised comprises

Accelerated capital allowances	(40)	(40)
At 1 January		
Other Timing differences	-	-
Profit and loss account credit	-	(40)
At 31 December	<u>(40)</u>	<u>(40)</u>

Further tax losses transferred into the Company which have not been included above, calculated at 30%, amount to £255,000 (2006 £255,000). These are available for deduction from future taxable profits and will be included as a debtor when, in the view of the directors, these can be utilised.

SSD UK Limited

Notes to the accounts Year ended 31 December 2007

7 Tangible fixed assets

	Leasehold property improvements £'000	Plant and machinery £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 January 2007	43	383	27	453
Additions	-	7	-	7
Disposals	(43)	(17)	(27)	(87)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	-	373	-	373
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2007	43	255	27	325
Charge for the year	-	61	-	61
Disposals	(43)	-	(27)	(70)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	-	316	-	316
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2007	-	57	-	57
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2006	-	128	-	128
	<hr/>	<hr/>	<hr/>	<hr/>

8 Debtors

	2007 £'000	2006 £'000
Trade debtors	569	726
Amounts owed by group undertakings	152	1,772
Prepayments and accrued income	46	108
Corporation tax	332	638
Deferred tax	40	40
	<hr/>	<hr/>
	1,139	3,284
	<hr/>	<hr/>

9. Creditors

	2007 £'000	2006 £'000
Bank overdraft	-	2,547
Trade creditors	118	230
Amounts due to group undertakings	3,455	2,232
Other taxes and social security	193	104
Accruals and deferred income	280	228
Other creditors	-	46
	<hr/>	<hr/>
	4,046	5,387
	<hr/>	<hr/>

SSD UK Limited

Notes to the accounts Year ended 31 December 2007

10 Called up share capital

	2007 £'000	2006 £'000
Authorised.		
20 ordinary shares of £1 each (2006 – 20)	20	20
Called up, allotted and fully paid:		
20 ordinary shares of £1 each (2006 – 20)	20	20

11 Profit and loss account

	2007 £'000	2006 £'000
At 1 January 2007	(1,439)	(631)
Profit for the year	(631)	(808)
At 31 December 2007	(2,052)	(1,439)

12 Contingent liabilities

The company has not provided cross-guarantees in respect of bank overdrafts and other liabilities for fellow group companies (2006 – nil)

13. Commitments under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings		Motor vehicles	
	2007 £'000	2006 £'000	2007 £'000	2006 £'000
Operating leases which expire				
- within one year	122	10	150	12
- between two and five years	131	58	163	179
- after five years	-	106	-	-
	<u>253</u>	<u>174</u>	<u>313</u>	<u>191</u>

14 Other commitments

At 31 December 2007 and 31 December 2006 the company had no capital commitments

SSD UK Limited

Notes to the accounts Year ended 31 December 2007

15 Related party transactions

Advantage has been taken of the exemption provided by Financial Reporting Standard No 8 ("Related Party Disclosures") in not disclosing transactions between group companies of Interserve Plc where there is a common ownership interest in excess of 90% and where such transactions are fully eliminated on consolidation

16. Ultimate parent undertaking

The company's immediate parent undertaking is Interserve Specialist Services (Holdings) Ltd and its ultimate parent undertaking and controlling party, and the undertaking of the smallest and largest group for which group financial statements are prepared, is Interserve plc, a company incorporated in Great Britain and registered in England and Wales

The consolidated financial statements of Interserve plc are available to the public and may be obtained from Interserve plc, Capital Tower, 91 Waterloo Road, London, SE1 8RT. No other group financial statements include the results of the Company