

**SSD UK LIMITED**

**Report and Financial Statements**

**31 December 2010**

**Company Registration No. 03378281**

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# SSD UK LIMITED

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**SSD UK LIMITED**

**OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

The directors of the company are set out below:

Mr B Melizan  
Mr S Ashdown

**COMPANY SECRETARY**

The company secretary who served during the year is set out below:

Mrs S Pound

**REGISTERED OFFICE**

Capital Tower  
91 Waterloo Road  
London  
SE1 8RT

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, UK

## **SSD UK LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 December 2010.

#### **PRINCIPAL ACTIVITY, TRADING REVIEW AND FUTURE DEVELOPMENTS**

The principal activity of the company is specialist window cleaning.

As shown in the profit and loss account on page 8 the turnover increased by 7% over last year to £2.9m, (2009: £2.7m) and loss before tax decreased by 66% to £52k (2009: £152k).

The company's balance sheet on page 9 shows a net increase in net liabilities to £290k (2009: £255k).

At the end of 2009, central operations were moved to a shared service centre. As such all costs except a management recharge are considered as direct costs in the current year. The prior year numbers have been restated to show a true like-for-like comparison.

Interserve Plc Group manages its operations on a divisional basis, further information can be found in the Interserve Plc financial statements. For this reason, the directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

Dividends paid during the year were £nil (2009: £nil).

As part of preparation of the financial statements, the directors have carried out a review with respect to going concern. The directors have examined the order book going forward and the prospects of the business given the current economic climate. They have reviewed cash flow forecasts associated with that order book and those prospects.

The company meets its day to day working capital requirements through an overdraft facility that is provided by its ultimate parent Interserve Plc.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that it should be able to operate within the level of its current facility. The period reviewed was the next 18 months from the date of these accounts and the facility is provided in the form of a letter of support from Interserve Plc to SSD UK Ltd for £1.2 million.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The company's operations expose it to a variety of financial risks that include the effects of credit risk and liquidity risk.

##### **CREDIT RISK**

All trade is carried out subject to our standard credit terms and normal terms and conditions. The debtors ledger is reviewed on a regular basis to determine the age of the debt and any necessary provision is made accordingly. Work in progress balances are reviewed on an ongoing basis and judgements are made with regard to the recoverability of amounts due and liabilities arising.

##### **LIQUIDITY RISK**

In order to ensure the company has sufficient funds for its on going operations and future activities, the company uses a combination of overdrafts and Group loans. The financing and liquidity of the company is managed in conjunction with the Group treasury function.

## **SSD UK LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

The directors are satisfied that given the nature of this company there are no other significant risks and uncertainties to consider. Group risks are discussed in the Group's in the Group's annual report which does not form part of these financial statements.

#### **DIRECTORS**

Interests in shares and options to purchase shares, of those directors who are also directors of Interserve Plc are disclosed in the accounts of Interserve Plc. As at the date of this report and during the year ended 31 December 2010, no indemnities are in force for the directors of this company.

Directors who served during the year and have since resigned are; Mr R L Phillips, who resigned 1 April 2010, and Mr BW Spencer, who resigned 3 September 2010

With the resignation of Mr R L Phillips, Mrs S Pound was appointed as company secretary on 1 April 2010

#### **EMPLOYEE INVOLVEMENT**

Within the bounds of commercial confidentiality, management disseminates information to all levels of staff about matters that affect progress of the company and are of interest and concern to them as employees.

A Group newsletter is also distributed at regular intervals to all employees which includes articles about the company's activities and its performance

#### **CHARITABLE AND POLITICAL DONATIONS**

There were no charitable or political donations made during the period (2009: £nil).

#### **DISABLED PERSONS**

The company has an established policy that disabled persons, especially should they become disabled in the course of their employment with the company, are employed where circumstances permit. The company endeavours to ensure that disabled employees benefit from training and career development programmes in common with other employees

#### **CREDITOR PAYMENT POLICY**

It is the company's normal practice to agree payment terms with its suppliers and abide by those terms. Payment becomes due when it can be confirmed that goods and/or services have been provided in accordance with the relevant contractual conditions. Trade creditors for the company at 31 December 2010, calculated in accordance with the requirements of the Companies Act 2006, were 47 days (2009: 20 days). This represents the ratio, expressed in days between the amounts invoiced to the company in the year by its suppliers and the amounts due, at the year end to trade creditors falling due for payment within one year.

**SSD UK LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the directors at the date of approval of this report confirms that

- 1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- 2) the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

**AUDITOR**

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

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



**Mrs S Pound**  
Company Secretary

14<sup>th</sup> June 2011, Capital Tower, 91 Waterloo Road, London SE1 8RT

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## **SSD UK LIMITED**

### **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 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; 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.

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## **SSD UK LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SSD UK LIMITED**

We have audited the financial statements of SSD UK Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet 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 (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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with the applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

#### **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 2010 and of its loss 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.



**SSD UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SSD UK LIMITED (CONTINUED)**

**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.



**Stephen Griggs (Senior Statutory Auditor)**  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, UK  
**21** June 2011

## SSD UK LIMITED

### PROFIT AND LOSS ACCOUNT For the year ended 31 December 2010

	Note	2010 £000	2009 Restated Note 1 £000
TURNOVER	2	2,912	2,677
Cost of Sales *		(2,939)	(2,821)
<b>GROSS LOSS</b>		<b>(27)</b>	<b>(144)</b>
Administrative Expenses *	1	-	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE FINANCE &amp; TAXATION</b>	3	<b>(27)</b>	<b>(144)</b>
Interest Payable	6	(25)	(8)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(52)</b>	<b>(152)</b>
Tax credit on loss on ordinary activities	7	17	35
<b>LOSS AFTER TAX</b>		<b>(35)</b>	<b>(117)</b>

All losses arise from continuing operations.

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

There are no recognised gains or losses in the year other than the loss for the year, accordingly no statement of recognised gains and losses is given.

\* Administrative expenses relate to management recharges in line with the current Interserve Support Services divisions' classification. This provides comparability between the group for use of shared services. 2009 comparatives have been restated from £357k to £nil to reflect the comparable expenses. The balance of expenses of £357k in 2009 relate to salaries, depreciation, accommodation, transport and other costs which have been reclassified as cost of sales in line with group policy. This reclassification does not impact operating profit.

# SSD UK LIMITED

## BALANCE SHEET 31 December 2010

	Note	2010 £000	2009 £000
<b>FIXED ASSETS</b>			
Tangible assets	8	-	3
		<hr/>	<hr/>
		-	3
<b>CURRENT ASSETS</b>			
Debtors	10	1,409	870
		<hr/>	<hr/>
		1,409	870
<b>CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	(1,627)	(1,128)
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(218)	(258)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(218)	(255)
<b>PROVISIONS FOR LIABILITIES</b>	12	(72)	-
		<hr/>	<hr/>
<b>NET LIABILITIES</b>		(290)	(255)
		<hr/> <hr/>	<hr/> <hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	2,170	2,170
Profit and loss account	14	(2,460)	(2,425)
		<hr/>	<hr/>
<b>SHAREHOLDERS' DEFICIT</b>		(290)	(255)
		<hr/> <hr/>	<hr/> <hr/>

The financial statements of SSD UK Limited, registered number 03378281, were approved by the Board of Directors and authorised for issue on 16<sup>th</sup> June 2011.

The accompanying notes are an integral part of this balance sheet.

Signed on behalf of the Board of Directors.



S T Ashdown  
Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2010**

**1. ACCOUNTING POLICIES**

The principal accounting policies adopted are described below, they have been applied consistently in the prior and current periods.

**a) Convention**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

As part of preparation of the financial statements, the directors have carried out a review with respect to going concern. The directors have examined the order book going forward and the prospects of the business given the current economic climate. They have reviewed cash flow forecasts associated with that order book and those prospects.

The company meets its day to day working capital requirements through an overdraft facility that is provided by its ultimate parent Interserve Plc.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that it should be able to operate within the level of its current facility. The period reviewed was the next 18 months from the date of these accounts and the facility is provided in the form of a letter of support from Interserve Plc to SSD UK Limited for £1.2 million

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

In accordance with the provisions of Section 400 of The Companies Act 2006 the company is exempt from the obligation to prepare and deliver group accounts as the company is included in the audited consolidated accounts of its ultimate parent undertaking, Interserve Plc, which is incorporated in Great Britain and registered in England and Wales. Accordingly, these financial statements present information about the company as an individual undertaking and not as a group

**b) Turnover**

Turnover comprises the fair value of goods and services supplied to external customers and the value of work executed in respect of contracts, excluding VAT. Turnover is recognised on completion of the contracted services.

**c) Treatment of administrative expenses - shared services**

At the end of 2009, central operations were moved to a shared service centre. Previously administrative costs included salaries, depreciation, accommodation, transport and other costs which have been reclassified as cost of sales in line with group policy. The prior year numbers have also been restated to show a true like-for-like comparison. The recharge is an intercompany recharge based on an Interserve Support Services cost allocation. It is allocated to those entities within Support Services who has use of these shared services. Those services that are available are, but not exclusively used by all entities include, HR, Business Development, Business Systems, HSE, Finance and Commercial. The recharge is variable in nature dependant upon the usage of these services.

**d) 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.

NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended 31 December 2010

1. ACCOUNTING POLICIES (CONTINUED)

e) **Deferred taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from unremitted earnings of subsidiaries where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

f) **Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost, net of depreciation and any provisions for impairment

Depreciation is provided on a straight line basis except where noted, calculated to write down the cost of assets over their estimated useful economic lives as follows:

Plant and machinery	- 8 Years
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g) **Stock and Work in Progress**

Contract work in progress is valued at cost plus attributable profit less foreseeable losses. If a loss is foreseen, a forward loss is recognised in the accounts of the company immediately. Attributable profit is included when the outcome of a contract can be assessed with reasonable certainty. The value of contract work in progress is accounted for within turnover and in accordance with Statement of Standard Accounting Practice 9 (Revised) - Stocks and Long Term Contracts, the excess of the book value over payments receivable is included in debtors as "Amounts recoverable on contracts". Payments receivable in excess of book value on an individual contract basis are included in creditors

h) **Pensions**

The company participates in the Interserve Pension Scheme. For the defined contribution scheme, the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

For the purposes of Financial Reporting Standard 17 "Retirement Benefits", the company has been unable to identify its share of the underlying assets and liabilities in the main Group defined benefit scheme on a consistent and reasonable basis. Therefore, the company accounts for contributions to the Scheme as if it were a defined contribution scheme. Note 30 to the 2010 annual report and financial statements of the Group (which does not form part of this report) sets out the details of the International Accounting Standard 19 "Employee Benefits" net pension liability of £51.5 million (2009: £95.3 million).

## SSD UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 2010

#### 2. TURNOVER

The company's turnover and profit arise wholly within the UK and are derived from its activity of specialist window cleaning.

#### 3. OPERATING LOSS

	2010 £000	2009 £000
This is stated after charging		
Depreciation on owned assets	1	1
Doubtful debt expense	-	8
Hire of plant and machinery	205	174
Rentals payable under operating leases	67	66
Remuneration payable to auditors:		
Fees payable to the company's auditor for the audit of the company's annual accounts *	-	5
Fees payable to the company's auditor for other services	-	-
	<u>        </u>	<u>        </u>

\* Fees of £1k have been borne by Interservefm Limited for 2010

#### 4. EMPLOYEES

	2010 Number	2009 Number
The average number of persons employed by the company (including directors) within each category of person was:		
Production staff	81	69
Administration	9	10
	<u>        </u>	<u>        </u>
	90	79
	<u>        </u>	<u>        </u>
The costs incurred in respect of these employees were	2010 £000	2009 £000
Wages and salaries	1,615	1,482
Social security costs	145	138
	<u>        </u>	<u>        </u>
	1,760	1,620
	<u>        </u>	<u>        </u>

#### 5. DIRECTORS

In 2010 the remaining statutory directors were remunerated through other companies in the Interserve group.

Mr Melizan is a director of the ultimate parent company, Interserve plc, and his remuneration for services to the group as a whole are disclosed in the accounts of that company.

During the year Messrs Ashdown, Phillips and Spencer were remunerated for their services to the group by Interservefm Ltd. It is not considered practicable to allocate their remuneration between the companies of which they are Directors.

**SSD UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2010**

**6. INTEREST PAYABLE**

	2010 £000	2009 £000
Bank interest	25	8

**7. TAX ON LOSS ON ORDINARY ACTIVITIES**

	2010 £000	2009 £000
UK corporation tax credit at 28% (2009 28%)	27	48
Adjustments in respect of prior years	5	(11)
<b>Total tax credit</b>	<b>32</b>	<b>37</b>
<b>Total deferred taxation - current year</b>	<b>(15)</b>	<b>(2)</b>
<b>Total tax on loss on ordinary activities</b>	<b>17</b>	<b>35</b>

The standard rate of tax for the year, based on the UK standard rate of corporation tax reduced to 28% on 1<sup>st</sup> April 2008.

The reduction of the UK corporation tax rate from 28% to 27% from 1 April 2011 has resulted in a change in deferred tax charge. This is arising from the reduction in the balance sheet carrying value of deferred tax assets to reflect the anticipated rate of tax at which those assets are expected to reverse.

On 23 March 2011 the Government announced that the main rate of Corporation Tax rate would reduce to 26% with effect from 1 April 2011, with subsequent 1% reductions per annum to reach 23% with effect from 1 April 2014. These tax rate reductions had not been substantively enacted at the balance sheet date and therefore have not been reflected in the financial statements. The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted.

The actual tax charge for the current and the previous year is different to the standard rate for the reasons set out in the following reconciliation

	2010 £000	2009 £000
Loss on ordinary activities before tax	52	152
<b>Tax credit on loss on ordinary activities at standard rate</b>	<b>15</b>	<b>43</b>
<b>Factors affecting charge for the period:</b>		
Expenses not deductible for tax purposes	(2)	-
Capital allowances in excess of depreciation	9	7
Short term timing differences	5	(2)
Adjustments in respect of prior periods	5	(11)
<b>Total</b>	<b>32</b>	<b>37</b>

**SSD UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended 31 December 2010**

**8. TANGIBLE FIXED ASSETS**

	Plant and Machinery £'000	Total £'000
<b>Cost</b>		
At 1 January 2010	4	4
Additions	-	-
Disposals	(4)	(4)
	<hr/>	<hr/>
At 31 December 2010	-	-
	<hr/>	<hr/>
<b>Accumulated depreciation</b>		
At 1 January 2010	1	1
Charge for the year	1	1
Disposals	(2)	(2)
	<hr/>	<hr/>
At 31 December 2010	-	-
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2010	-	-
	<hr/>	<hr/>
At 31 December 2009	3	3
	<hr/> <hr/>	<hr/> <hr/>

**9. OPERATING LEASES**

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and Buildings		Other	
	2010 £000	2009 £000	2010 £000	2009 £000
Commitments expiring:				
Within one year	-	11	-	3
In two to five years	93	93	-	127
After five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	93	104	-	130
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**10. DEBTORS**

	2010 £000	2009 £000
Amounts recoverable within one year:		
Trade debtors	199	254
Amounts owed by group undertakings	900	487
Corporation tax	49	37
Deferred tax	36	51
Prepayments and accrued income	225	41
	<hr/>	<hr/>
	1,409	870
	<hr/> <hr/>	<hr/> <hr/>



## SSD UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 2010

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

	2010 £000	2009 £000
Bank overdraft	1,098	304
Trade Creditors	19	62
Amounts owed to group undertakings	210	486
Other taxes and social security	163	88
Accruals and deferred income	137	188
	<u>1,627</u>	<u>1,128</u>

#### 12. PROVISION FOR LIABILITIES

	Total £000
At 1 January 2010	-
Provided in the year	72
	<u>72</u>
At 31 December 2010	<u>72</u>

The provision above, relates to expected dilapidation expenses arising on property leases not yet expired.

	Deferred Taxation £000
At 1 January 2010	51
Profit and loss account charge	(15)
	<u>36</u>
At 31 December 2010	<u>36</u>

The opening and closing deferred tax asset represented unclaimed capital allowances. The directors expect that these capital allowances will be utilised in future periods.

#### 13. SHARE CAPITAL

	2010 £000	2009 £000
Authorised: 2,170,000 ordinary shares at £1 each	<u>2,170</u>	<u>2,170</u>
Allotted and called up: 2,170,000 ordinary shares at £1 each	<u>2,170</u>	<u>2,170</u>

## SSD UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 2010

#### 14. RESERVES

	Total £000
At 1 January 2010	(2,425)
Loss for the financial year	(35)
	<hr/>
At 31 December 2010	(2,460)
	<hr/> <hr/>

#### 15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2010 £000	2009 £000
Loss attributable to members of the company	35	117
	<hr/>	<hr/>
Net increase to shareholders' deficit	35	117
Opening shareholders' deficit	255	138
	<hr/>	<hr/>
Closing shareholders' deficit	290	255
	<hr/> <hr/>	<hr/> <hr/>

#### 16. CONTINGENT LIABILITIES

At 31 December 2010 there were no contingent liabilities in respect of guarantees given in the ordinary course of business.

#### 17. CASH FLOW STATEMENT

The company is not presenting a cash flow statement. It has taken advantage of the exemption contained in Financial Reporting Standard 1 - 'Cash Flow Statements' not to do so as the ultimate parent undertaking, Interserve Plc, has included a consolidated cash flow statement in the group accounts.

#### 18. ULTIMATE PARENT COMPANY

The company's immediate and ultimate controlling party, is Interserve Plc, which is incorporated in Great Britain.

Interserve Plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up.

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 - 'Related Party Transactions' not to report transactions with investee companies in the Interserve Group which are eliminated in the consolidated financial statements of Interserve Plc. The group accounts of Interserve Plc are available from Companies House, Crown Way, Maundy, Cardiff CF14 3UZ.