

**State Street Administration Services (UK) Limited**

**Annual Report and Consolidated Financial  
Statements**

**For the year ended 31 December 2011**

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## **State Street Administration Services (UK) Limited**

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### **REPORT OF THE DIRECTORS**

The directors present their annual report to the members together with the audited consolidated financial statements for the year ended 31 December 2011.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company and group is the provision of trustee and administration services

#### **BUSINESS REVIEW AND KEY PERFORMANCE INDICATORS**

State Street Administration Services (UK) Limited is a wholly owned subsidiary of State Street Investment Holdings (Jersey) Limited and is ultimately owned by State Street Corporation. It receives its broad strategy from the State Street Alternative Investment Solutions management team. The strategy is broadly defined to grow the business of regulated onshore fund administration in the markets of private equity and real estate in a controlled manner.

The principal costs of the business are its staff and operating costs. Costs for the year of £3,645,523 (2010 : £5,928,173), other income and interest of £81,059 (2010 : £3,690,752) and revenue of £3,635,306 (2010 : £5,935,976) resulted in the Company breaking even for the year ended 31 December 2011 (2010 : £3,698,555).

The directors are of the opinion that the result does not impact the continued operation of the business as a going concern.

At 31 December 2011 the Group had net current assets of £644,789 (2010 : £366,649) and total net assets of £644,789 (2010 : net liabilities of £1,855,211).

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

Members of the executive management are responsible for identifying and evaluating the key risks facing their areas of the business and for ensuring that any necessary mitigating actions take place.

##### ***Operational Risk:***

The Company's operational risks are related to its provision of administration services. These risks are managed on a day to day basis by internal control procedures, whilst the risk of incurring a significant loss is mitigated by professional indemnity insurance.

##### ***Competitive Risk:***

The administration services market is a highly competitive one. In this market the Company is able to exploit its global name and reputation to attract new business, and its competitive fees combined with high quality services ensure that the Company maintains a strong position in the UK market.

#### **FUTURE DEVELOPMENTS**

The directors aim to maintain current management policies and to follow the stated strategy of growing its business of regulated onshore fund administration. They aim to achieve this growth by expanding its private equity and real estate business in a controlled manner.

#### **PROPOSED DIVIDEND**

The directors do not recommend the payment of a dividend (2010 : £ Nil).

#### **DIRECTORS**

The directors who held office during the year and subsequently were as follows. -

|             |                     |
|-------------|---------------------|
| V. Rapley   | (Resigned 31/01/12) |
| A. Ayub     | (Resigned 10/08/11) |
| S. Scally   |                     |
| M.I. Stokes | (Resigned 20/12/11) |
| J. Bingham  |                     |

## **State Street Administration Services (UK) Limited**

### **REPORT OF THE DIRECTORS - continued**

#### **COMPANY SECRETARY**

The Company secretary during the year and subsequently was State Street Secretaries (UK) Limited

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

The Company made no disclosable political or charitable donations or incurred any political expenditure during the period

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each 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 auditors are aware of that information

#### **AUDITORS**

Ernst & Young were appointed as auditors on 11 August 2010. They have expressed their willingness to remain in office

#### **REGISTERED OFFICE**

1st Floor  
Phoenix House  
18 King William Street  
London  
EC4N 7BP

#### **BY ORDER OF THE BOARD**



Authorised Signatory **JASON BINGHAM**  
**State Street Secretaries (UK) Limited**

Date 28/05/2012

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## **State Street Administration Services (UK) Limited**

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### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' 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 group and parent company 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 group and the parent company and of the profit or loss of the group and parent company for that period. In preparing each of the group and parent company financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the group's and the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the parent 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 group and the parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STATE STREET ADMINISTRATION SERVICES (UK) LIMITED**

We have audited the financial statements of State Street Administration Services (UK) Limited for the year ended 31 December 2011 which comprise the Group Profit and Loss Account, the Group and Company Balance Sheet, the Group Consolidated Cash Flow Statement, the Reconciliation of Movements in Shareholder's Deficit, and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 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 group's and the parent 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 and Consolidated Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements 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 group's and of the parent company's affairs as at 31 December 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

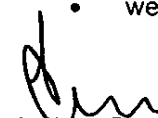
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STATE STREET ADMINISTRATION SERVICES (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

  
Andrew Dann (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Jersey, Channel Islands  
Date 31 May 2012

## State Street Administration Services (UK) Limited

### GROUP PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2011

|  | <b>Notes</b> | <b><u>1 Jan 11 -<br/>31 Dec 11</u></b><br>£ | <b><u>1 Oct 09 -<br/>31 Dec 10</u></b><br>£ |
|--|--------------|---|---|
| <b>REVENUE</b>                                       |              |   |   |
| Continuing operations                                |              | 3,635,306                                   | 3,179,180                                   |
| Discontinued operations                              |              | -   | 2,756,796                                   |
|  |              | <u>3,635,306</u>                            | <u>5,935,976</u>                            |
| <b>OPERATING EXPENDITURE</b>                         | 2            | <u>(3,645,523)</u>                          | <u>(5,928,173)</u>                          |
| <b>OPERATING (LOSS) / PROFIT</b>                     |              |   |   |
| Continuing operations                                |              | (10,217)                                    | (32,364)                                    |
| Discontinued operations                              |              | -   | 40,167                                      |
|  |              | <u>(10,217)</u>                             | <u>7,803</u>                                |
| <b>OTHER INCOME</b>                                  | 3            |   |   |
| Disbursement income                                  |              | 79,705                                      | 5,945                                       |
| Profit on sale of a subsidiary                       |              | -   | 3,682,843                                   |
| <b>NET FINANCE INCOME</b>                            | 4            | <u>1,354</u>                                | <u>1,964</u>                                |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |              | <u>70,842</u>                               | <u>3,698,555</u>                            |
| <b>TAXATION</b>                                      | 11           | <u>(70,842)</u>                             | <u>-</u>                                    |
| <b>RESULT FOR THE YEAR</b>                           |              | <u>-</u>                                    | <u>3,698,555</u>                            |

### GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

|  | <b><u>1 Jan 11 -<br/>31 Dec 11</u></b><br>£ | <b><u>1 Oct 09 -<br/>31 Dec 10</u></b><br>£ |
|--|---|---|
| <b>Result for the year</b>                                       | -   | 3,698,555                                   |
| <b>Exchange movements on translation of foreign subsidiaries</b> | -   | (185,886)                                   |
| <b>Total recognised gains since last annual report</b>           | <u>-</u>                                    | <u>3,512,669</u>                            |

# State Street Administration Services (UK) Limited


## GROUP BALANCE SHEET

As at 31 December 2011

|   | Notes | 31 Dec 11<br>£   | 31 Dec 10<br>£     |
|---|-------|------------------|--------------------|
| <b>CURRENT ASSETS</b>   |       |                  |                    |
| Debtors - Amounts falling due within one year                   | 6     | 262,356          | 119,403            |
| Accrued income  |       | 304,528          | 270,246            |
| Cash at bank  |       | 921,297          | 755,522            |
|   |       | <u>1,488,181</u> | <u>1,145,171</u>   |
| <b>CURRENT LIABILITIES</b>                                      |       |                  |                    |
| Creditors - Amounts falling due within one year                 | 7     | (772,550)        | (778,522)          |
| Tax creditor  |       | (70,842)         | -                  |
|   |       | <u>(843,392)</u> | <u>(778,522)</u>   |
| <b>NET CURRENT ASSETS</b>                                       |       | <u>644,789</u>   | <u>366,649</u>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                    |       | 644,789          | 366,649            |
| <b>CREDITORS - Amounts falling due after more than one year</b> | 7     | -                | (2,221,860)        |
| <b>NET ASSETS/(LIABILITIES)</b>                                 |       | <u>644,789</u>   | <u>(1,855,211)</u> |
| <b>CAPITAL AND RESERVES</b>                                     |       |                  |                    |
| Called up share capital   | 8     | 2                | 1                  |
| Share premium account   | 9     | 2,499,999        |                    |
| Profit and loss account   |       | (1,855,212)      | (1,855,212)        |
| <b>SHAREHOLDER'S FUNDS / (DEFICIT)</b>                          |       | <u>644,789</u>   | <u>(1,855,211)</u> |

The financial statements were approved and authorised for issue by the Board of Directors on the 28 day of May 2012 and were signed on its behalf by.

Director:

  
STEVEN SCALLY

Registered Number: 4092438



# State Street Administration Services (UK) Limited

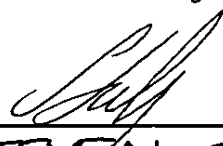
## COMPANY BALANCE SHEET

As at 31 December 2011

|   | Notes | 31 Dec 11<br>£ | 31 Dec 10<br>£ |
|---|-------|----------------|----------------|
| <b>NON CURRENT ASSETS</b>                                       |       |                |                |
| Investments in subsidiary undertaking                           | 5     | 1              | 1              |
|   |       | 1              | 1              |
| <b>CURRENT ASSETS</b>   |       |                |                |
| Debtors - Amounts falling due within one year                   | 6     | 262,356        | 119,403        |
| Accrued income  |       | 304,528        | 270,245        |
| Cash at bank  |       | 921,297        | 755,522        |
|   |       | 1,488,181      | 1,145,170      |
| <b>CURRENT LIABILITIES</b>                                      |       |                |                |
| Creditors - Amounts falling due within one year                 | 7     | (772,550)      | (778,522)      |
| Tax creditor  |       | (70,842)       | -              |
|   |       | (843,392)      | (778,522)      |
| <b>NET CURRENT ASSETS</b>                                       |       | 644,789        | 366,648        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                    |       | 644,790        | 366,649        |
| <b>CREDITORS - Amounts falling due after more than one year</b> | 7     | (1)            | (2,221,860)    |
| <b>NET ASSETS / (LIABILITIES)</b>                               |       | 644,789        | (1,855,211)    |
| <b>CAPITAL AND RESERVES</b>                                     |       |                |                |
| Called up share capital   | 8     | 2              | 1              |
| Share premium account   | 9     | 2,499,999      | -              |
| Profit and loss account   |       | (1,855,212)    | (1,855,212)    |
| <b>SHAREHOLDER'S FUNDS / (DEFICIT)</b>                          |       | 644,789        | (1,855,211)    |

The financial statements were approved and authorised for issue by the Board of Directors on the 28 day of May 2012 and were signed on its behalf by

Director:

  
STEVEN SCALLY

Registered Number: 4092438

## **State Street Administration Services (UK) Limited**

### **GROUP CASH FLOW STATEMENT**

**For the year ended 31 December 2011**

#### **RECONCILIATION OF OPERATING (LOSS) / PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|   | <b><u>2011</u></b><br><b>£</b> | <b><u>2010</u></b><br><b>£</b> |
|---|--------------------------------|--------------------------------|
| Operating (loss) / profit               | (10,217)                       | 7,803                          |
| Other income                            | 79,705                         | 5,945                          |
| Net finance income                      | 1,354                          | 1,964                          |
| Increase in accrued income              | (34,282)                       | (204,188)                      |
| Foreign exchange movement               | -                              | (185,886)                      |
| (Increase) / decrease in debtors        | (142,953)                      | 4,808,235                      |
| Decrease in creditors                   | (2,227,832)                    | (4,049,325)                    |
| Net cash flow from operating activities | <u>(2,334,225)</u>             | <u>384,548</u>                 |

#### **CASH FLOW STATEMENT (Note 1)**

|   | <b><u>2011</u></b><br><b>£</b> | <b><u>2010</u></b><br><b>£</b> |
|---|--------------------------------|--------------------------------|
| Net cash flow from operating activities | (2,334,225)                    | 384,548                        |
| Acquisitions and disposals              | -                              | 181,284                        |
| Financing (note 2)                      | 2,500,000                      | -                              |
|   | <u>165,775</u>                 | <u>565,832</u>                 |

#### **RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS (Note 1)**

|   | <b><u>2011</u></b><br><b>£</b> | <b><u>2010</u></b><br><b>£</b> |
|---|--------------------------------|--------------------------------|
| Increase in cash in the year / period       | 165,775                        | 565,832                        |
| Net funds at the start of the year / period | 755,522                        | 189,690                        |
| Net funds at the end of the year / period   | <u>921,297</u>                 | <u>755,522</u>                 |

#### **NOTES TO THE CASH FLOW STATEMENT**

**Note 1:** The entity has no liquid resources other than cash at bank. Net funds are comprised entirely of cash at bank therefore no analysis of changes in the components of net funds has been prepared

**Note 2:** The financing cash inflow relates to the issue of 1 ordinary £1 share during the year, at a premium of £2,499,999, for a total consideration of £2,500,000

## **State Street Administration Services (UK) Limited**

### **RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S DEFICIT**

**For the year ended 31 December 2011**

|   | <b>Group<br/>2011</b> | <b>Group<br/>2010</b> | <b>Company<br/>2011</b> | <b>Company<br/>2010</b> |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
|   | <b>£</b>              | <b>£</b>              | <b>£</b>                | <b>£</b>                |
| Result for the year / period            | -                     | 3,698,555             | -                       | 270,451                 |
| Foreign exchange movement               | -                     | (185,886)             | -                       | -                       |
| New share capital subscribed            | 2,500,000             | -                     | 2,500,000               | -                       |
| Net increase to shareholder's funds     | 2,500,000             | 3,512,669             | 2,500,000               | 270,451                 |
| Opening shareholder's deficit           | (1,855,211)           | (5,367,880)           | (1,855,211)             | (2,125,662)             |
| Closing shareholder's funds / (deficit) | 644,789               | (1,855,211)           | 644,789                 | (1,855,211)             |

**NOTES TO THE GROUP FINANCIAL STATEMENTS**

**For the year ended 31 December 2011**

**1. ACCOUNTING POLICIES**

***Basis of preparation***

These financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Generally Accepted Accounting Practice and applicable law.

***Basis of consolidation***

The Group financial statements include the results of the Company and its subsidiary undertakings made up to 31 December each year. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

***Foreign currency***

Foreign currency balances are expressed in sterling at closing rates ruling at the balance sheet date. Foreign currency transactions during the year are recorded at the rate ruling at the date of each transaction. Gains and losses on the translation of net investments in foreign subsidiaries are dealt with through the reserves via the statement of total recognised gains and losses. All other foreign exchange differences are recorded in the profit and loss account.

***Accrued income***

Accrued income is recognised as time charged at selling value less a provision for non-recoverable time where a right to consideration arises through the performance of fiduciary services.

***Revenue recognition***

Fees are recognised when invoiced and adjusted for accrued income movements during the year.

Fixed fees are recognised as income in the profit & loss account during the period to which they relate, with the deferred element recognised in the balance sheet as fee income received in advance.

***Interest received and paid***

Interest is recognised on an accruals basis.

***Trade and other debtors***

Trade and other debtors are stated at their realisable value.

***Cash and cash equivalents***

Cash and cash equivalents comprise of cash balances.

***Expenditure***

Expenditure is recognised on an accrual basis.

***Trade and other payables***

Trade and other payables are stated at cost.

***Investments***

Investments in subsidiaries are carried at cost, except where provision is made for a permanent diminution in value.

***Taxation***

The charge for taxation is based on taxable profits for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. Deferred tax assets are only recognised to the extent that the directors deem them to be recoverable in the near future and therefore, no such assets have been recognised in these financial statements.

## State Street Administration Services (UK) Limited

### NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

For the year ended 31 December 2011

#### 1. ACCOUNTING POLICIES - continued

##### *Operating leases*

Operating lease costs are taken to the profit and loss account on a straight line basis over the life of the lease

##### *Fiduciary assets and liabilities*

The financial statements do not include any assets and liabilities of clients held in a fiduciary or nominee capacity.

#### 2. OPERATING EXPENDITURE

Expenses are incurred by related entities and are then recharged to the company

|   | <u>Group</u><br><u>1 Jan 11 -</u><br><u>31 Dec 11</u> | <u>Company</u><br><u>1 Jan 11 -</u><br><u>31 Dec 11</u> | <u>Group</u><br><u>1 Oct 09 -</u><br><u>31 Dec 10</u> | <u>Company</u><br><u>1 Oct 09 -</u><br><u>31 Dec 10</u> |
|---|---|---|---|---|
|   | £   | £   | £   | £   |
| State Street Services (UK) Limited - Staff and of | 3,455,917   | 3,455,917   | 2,711,140   | 2,694,642   |
| Mourant du Feu & Jeune Jersey                     | -   | -   | 12,665  | -   |
| State Street Fund Services (UK) Limited           | -   | -   | (103,509)   | -   |
| State Street Fund Services (U.S ) LLC             | -   | -   | 12,396  | 12,396  |
| Mourant Services Limited                          | -   | -   | 274,974   | 175,755   |
| State Street Fund Services (Singapore) Limited    | -   | -   | (108,719)   | -   |
| State Street Services (Jersey) Limited            | 183,891   | 183,891   | 537,350   | 405,673   |
| Direct expenditure                                | 5,715   | 5,715   | 2,591,876   | (76,922)  |
|   | <u>3,645,523</u>                                      | <u>3,645,523</u>  | <u>5,928,173</u>                                      | <u>3,211,544</u>  |

In the UK staff are employed by State Street Services (UK) Limited and recharged to State Street Administration Services (UK) Limited. As at 31 December 2011 State Street Services (UK) Limited had 59 (2010 47) employees working for State Street Fund Services (UK) Limited (the Company's fellow subsidiary) and State Street Administration Services (UK) Limited.

#### 3. OTHER INCOME

|                                | <u>Group</u><br><u>1 Jan 11 -</u><br><u>31 Dec 11</u> | <u>Company</u><br><u>1 Jan 11 -</u><br><u>31 Dec 11</u> | <u>Group</u><br><u>1 Oct 09 -</u><br><u>31 Dec 10</u> | <u>Company</u><br><u>1 Oct 09 -</u><br><u>31 Dec 10</u> |
|--------------------------------|---|---|---|---|
|                                | £   | £   | £   | £   |
| Disbursement income            | 73,055  | 73,055  | 5,945   | 46,229  |
| Income on sale of a subsidiary | -   | -   | 3,682,843   | 254,739   |
| Net foreign exchange gains     | 6,650   | 6,650   | -   | -   |
|                                | <u>79,705</u>   | <u>79,705</u>   | <u>3,688,788</u>                                      | <u>300,968</u>  |

#### 4. NET FINANCE INCOME

|                 | <u>Group</u><br><u>1 Jan 11 -</u><br><u>31 Dec 11</u> | <u>Company</u><br><u>1 Jan 11 -</u><br><u>31 Dec 11</u> | <u>Group</u><br><u>1 Oct 09 -</u><br><u>31 Dec 10</u> | <u>Company</u><br><u>1 Oct 09 -</u><br><u>31 Dec 10</u> |
|-----------------|---|---|---|---|
|                 | £   | £   | £   | £   |
| Interest income | <u>1,354</u>  | <u>1,354</u>  | <u>1,964</u>  | <u>1,847</u>  |

## State Street Administration Services (UK) Limited

### NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

For the year ended 31 December 2011

#### 5. INVESTMENT IN SUBSIDIARY UNDERTAKING

|  | Incorporation | Activity                | Ownership | Company<br>2011<br>£ | Company<br>2010<br>£ |
|--|---------------|-------------------------|-----------|----------------------|----------------------|
| State Street Secretaries<br>(UK) Limited | England       | Secretarial<br>Services | 100%      | 1                    | 1                    |

#### 6. DEBTORS - Amounts falling due within one year

|  | Group<br>2011<br>£ | Company<br>2011<br>£ | Group<br>2010<br>£ | Company<br>2010<br>£ |
|--|--------------------|----------------------|--------------------|----------------------|
| Trade debtors  | 262,356            | 262,356              | 105,319            | 105,319              |
| Stanhope Gate Trustees Limited                       | -                  | -                    | 14,050             | 14,050               |
| State Street (Jersey) Limited                        | -                  | -                    | 33                 | 33                   |
| State Street Investment Holdings (Jersey)<br>Limited | -                  | -                    | 1                  | 1                    |
|  | <u>262,356</u>     | <u>262,356</u>       | <u>119,403</u>     | <u>119,403</u>       |

Balances due from related parties are cash settled in the ordinary course of business and are therefore deemed to be short term assets

#### 7. CREDITORS

##### CREDITORS - Amounts falling due within one year

|  | Group<br>2011<br>£ | Company<br>2011<br>£ | Group<br>2010<br>£ | Company<br>2010<br>£ |
|--|--------------------|----------------------|--------------------|----------------------|
| Other creditors                        | 6,350              | 6,350                | 72,104             | 72,104               |
| Deferred income                        | 204,367            | 204,367              | 207,879            | 207,879              |
| State Street Services (UK) Limited     | 523,128            | 523,128              | 170,832            | 170,832              |
| State Street Services (Jersey) Limited | 38,705             | 38,705               | 327,707            | 327,707              |
|  | <u>772,550</u>     | <u>772,550</u>       | <u>778,522</u>     | <u>778,522</u>       |

Operating balances due to related parties are cash settled in the ordinary course of business and are therefore deemed to be short term liabilities.

##### CREDITORS - Amounts falling due after more than one year

|                                       | Group<br>2011<br>£ | Company<br>2011<br>£ | Group<br>2010<br>£ | Company<br>2010<br>£ |
|---------------------------------------|--------------------|----------------------|--------------------|----------------------|
| Amounts payable to:-                  |                    |                      |                    |                      |
| State Street AIS Europe LLC           | -                  | -                    | 2,221,860          | 2,221,860            |
| State Street Secretaries (UK) Limited | -                  | 1                    | -                  | -                    |
|                                       | <u>-</u>           | <u>1</u>             | <u>2,221,860</u>   | <u>2,221,860</u>     |

# State Street Administration Services (UK) Limited

## NOTES TO THE GROUP FINANCIAL STATEMENTS - continued

For the year ended 31 December 2011

### 8. CALLED UP SHARE CAPITAL

|   | <b>Group<br/>2011<br/>£</b> | <b>Company<br/>2011<br/>£</b> | <b>Group<br/>2010<br/>£</b> | <b>Company<br/>2010<br/>£</b> |
|---|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| AUTHORISED.<br>1,000 ordinary shares of £1 each | 1,000                       | 1,000                         | 1,000                       | 1,000                         |
| ISSUED AND PAID.<br>2 ordinary shares of £1     | 2                           | 2                             | 1                           | 1                             |

On 7 November 2011 the Company issued an additional 1 share of £1 to State Street Investment Holdings (Jersey) Limited, the Company's sole shareholder for the consideration of £2,500,000. Please refer to note 9.

### 9. SHARE PREMIUM ACCOUNT

|  | <b>Group<br/>2011<br/>£</b> | <b>Company<br/>2011<br/>£</b> | <b>Group<br/>2010<br/>£</b> | <b>Company<br/>2010<br/>£</b> |
|--|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
|  | 2,499,999                   | 2,499,999                     | -                           | -                             |

The increase in share premium has arisen from the issue of 1 share of £1 to State Street Investment Holdings (Jersey) Limited on 7 November 2011.

### 10. PENSION FUND

State Street Services (UK) Limited operates a defined contribution, money purchase, scheme that is open to eligible employees. Contributions to the scheme are charged to the profit and loss account of State Street Services (UK) Limited, on an accruals basis. Contributions are then recharged to State Street Administration Services (UK) Limited through a service charge.

### 11. TAXATION

The Company is liable to UK corporation tax on taxable profit. No liability arises in respect of the current period as the Company has taxation losses in prior years which offset the current period taxable profit.

|   | <b>Group<br/>1 Jan 11 -<br/>31 Dec 11<br/>£</b> | <b>Company<br/>1 Jan 11 -<br/>31 Dec 11<br/>£</b> | <b>Group<br/>1 Oct 09 -<br/>31 Dec 10<br/>£</b> | <b>Company<br/>1 Oct 09 -<br/>31 Dec 10<br/>£</b> |
|---|---|---|---|---|
| <b>Tax on profit on ordinary activities:</b>  |   |   |   |   |
| Current year tax charge   | 70,842  | 70,842  | -   | -   |
| <b>Factors affecting current tax charge:</b>  |   |   |   |   |
| Profit on ordinary activities before taxation   | 70,842  | 70,842  | 3,698,555                                       | 270,451   |
| Profit on ordinary activities at the standard rate of corporation tax of 26% (2010 28%) | 18,419  | 18,419  | 1,109,567                                       | 81,135  |
| Losses (relievable)   | (18,419)  | (18,419)  | (1,109,567)                                     | (81,135)  |
| Underprovision of tax for 2010  | 70,842  | 70,842  | -   | -   |
| Total current tax   | 70,842  | 70,842  | -   | -   |

## **State Street Administration Services (UK) Limited**

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### **NOTES TO THE GROUP FINANCIAL STATEMENTS - continued**

**For the year ended 31 December 2011**

#### **12. DIRECTORS' REMUNERATION**

None of the directors received any fees or remuneration for services as directors of the Company during the financial period (2010 : £ Nil).

#### **13. AUDITORS' REMUNERATION**

The Company's audit fee for the year to 31 December 2011 has been borne by State Street Services (UK) Limited (2010 : £17,625).

#### **14. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY**

The Company is wholly owned by State Street Investment Holdings (Jersey) Limited, a Jersey company. In the directors' opinion, the Company's parent undertaking and ultimate controlling party is State Street Corporation, incorporated in the Commonwealth of Massachusetts, in the United States of America. Copies of State Street Corporation's consolidated financial statements can be obtained from State Street Financial Center, 1 Lincoln Street, Commonwealth of Massachusetts, 02111, United States of America.

#### **15. RELATED PARTY TRANSACTIONS**

Amounts receivable and payable to fellow State Street group entities are disclosed in notes 6 and 7 and transactions with fellow subsidiaries in notes 2 and 10.

The Company has taken advantage of the exemption to provide full related party transaction disclosures from FRS 8 due to the consolidated financial statements of State Street Corporation being publicly available.