

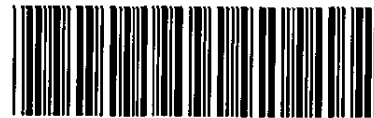
MWB Serviced Office Holdings Limited

**Directors' report and financial
statements**

Registered number 4129282

31 December 2009

THURSDAY



LHRSHNUJ

L24

30/09/2010

65

COMPANIES HOUSE

Directors' report and financial statements

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	2
Independent auditors' report to the members of MWB Serviced Office Holdings Limited	3
Income Statement	4
Statement of Financial Position	5
Reconciliation of movements in shareholders' (deficit)/funds	6
Notes	7

Directors' report

The Directors present their report and audited financial statements for the year ended 31 December 2009

Principal activities

The Company acts as the holding company for the Serviced Offices division of its group

Results

The results for the year ended 31 December 2009 are set out on page 4. The Directors do not recommend the payment of a dividend (2008 £nil)

Directors and Directors' interests

The Directors who held office during the year were as follows

RG Balfour-Lynn

J Singh

MA Bibring

AF Blurton - resigned 12/01/10

None of the Directors had any interest in the share capital of the Company. The interests of the Directors in the share capital of the ultimate holding company, MWB Group Holdings Plc, are disclosed in the financial statements of that company.

Auditors

A resolution for the re-appointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



Gail Robson
Secretary
MWB Serviced Office Holdings Limited
Registered number 4129282

179 Great Portland Street
London
W1W 5LS

27/9 2010

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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 individually 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 such information.



Independent auditors' report to the members of MWB Serviced Office Holdings Limited

We have audited the financial statements of MWB Serviced Office Holdings Limited for the year ended 31 December 2009 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

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

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Shaun Kirby (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
8 Salisbury Square
London
EC4Y 8BB

29 Sept 2010

Income Statement
for the year ended 31 December 2009

	<i>Note</i>	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Miscellaneous income		-	5,089
Sundry expenses		-	(1,000)
Operating profit		-	4,089
Profit on disposal of investments		-	43,190,450
Writedown of investment		(128,254,326)	-
Dividends received		9,326	906,162
Interest payable		(1,609,170)	(1,609,172)
(Loss)/profit on ordinary activities before taxation	2	(129,854,170)	42,491,529
Taxation	3	-	-
(Loss)/profit for the year	9	(129,854,170)	42,491,529

All amounts relate to continuing activities

There is no difference between (loss)/profit as stated and (loss)/profit on the historical cost basis

There are no recognised gains or losses other than the loss for the financial year

The notes on pages 7 to 10 form part of these financial statements

Statement of Financial Position
at 31 December 2009

	<i>Note</i>	31 December 2009 £	31 December 2008 £
Fixed assets			
Investments	5	<u>76,000,231</u>	<u>204,254,557</u>
Current assets			
Debtors	6	<u>56,352,483</u>	<u>56,352,483</u>
		56,352,483	56,352,483
Creditors amounts falling due within one year	7	<u>(250,686,240)</u>	<u>(249,086,396)</u>
Net current liabilities		<u>(194,333,757)</u>	<u>(192,733,913)</u>
Net (liabilities)/assets		<u>(118,333,526)</u>	<u>11,520,644</u>
Capital and reserves			
Called up share capital	8	3	3
Share premium account	9	11,870,999	11,870,999
Retained earnings	9	<u>(130,204,528)</u>	<u>(350,358)</u>
Equity shareholders' (deficit)/funds		<u>(118,333,526)</u>	<u>11,520,644</u>

The notes on pages 7 to 10 form part of these financial statements

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

27/9

2010 and were

Director



J Singh

Director



P Biring

Reconciliation of movements in shareholders' (deficit)/funds
for the year ended 31 December 2009

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
(Loss)/profit for the year	(129,854,170)	42,491,529
Capital contribution from parent	-	7,300,000
Distribution to parent undertaking through waiver of intercompany	-	(6,375,196)
Opening shareholders' funds/(deficit)	11,520,644	(31,895,689)
	<hr/>	<hr/>
Closing shareholders' funds	(118,333,526)	11,520,644
	<hr/>	<hr/>

The notes on pages 7 to 10 form part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

Basis of preparation

The Company has received an assurance from its holding company that it will provide such funds as necessary for the Company to meet its liabilities as they fall due. For this reason the financial statements have been prepared on the going concern basis.

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

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS1 (revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of MWB Group Holdings Plc, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

Investment

The interest of the Company in the shares of subsidiary undertakings is recognised at cost less any provision for impairment.

2 (Loss)/profit on ordinary activities before taxation

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
--	--	--

(Loss)/profit on ordinary activities before taxation is stated after charging

Auditors' remuneration - as auditors	-	-
--------------------------------------	---	---

Audit fees borne by a parent company were as follows

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Fees for the audit of the Company	600	600

Fees for the audit of the Company represent the amount receivable by the Company's auditors.

Fees paid to the Company's auditors, KPMG Audit Plc, and its associates for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated accounts of the ultimate parent undertaking, MWB Group Holdings Plc, are required to disclose non-audit fees on a consolidated basis.

Notes (Continued)

3 Taxation

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
UK corporation tax at 28% (2008 28.5%)	-	-

The tax (credit)/charge on the (loss)/profit on ordinary activities has been reduced from the amount that would arise from applying the corporation tax rate to the Company's (loss)/profit as follows

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
UK corporation tax at 28% (2008 28.5%) on Company (loss)/profit before tax	(36,359,168)	12,110,086
Non-taxable profit on disposal of investments to fellow subsidiary	-	(12,309,278)
Non-taxable writedown of investment	35,911,211	-
Non-taxable dividend received from subsidiary	(2,611)	(258,256)
Other non-deductible differences	-	285
Losses carried forwards for use in future years	450,568	457,163
Total corporation tax (credited)/charged to the income statement	-	-

The Company has approximately £7.9m of excess interest costs available to carry forward (2008 £4.8m)

4 Directors and employees

None of the Directors received any emoluments from the Company for their services during the year (2008 £nil)

There are no employees other than the Directors (2008 none)

5 Investments

	Investment in subsidiary undertakings £
At 31 December 2008	204,254,557
Writedown of investment in 175 Limited	(9,326)
Writedown of investment in MWB Property Limited	(128,245,000)
At 31 December 2009	76,000,231

Notes (continued)

5 Investments (continued)

The principal subsidiary undertaking of the Company at the year end were as follows

<i>Subsidiary</i>	<i>Share capital held</i>	<i>Holding</i>
<u>Held by the Company</u>		
MWB Property Limited	Ordinary shares	100.00%

6 Debtors

	31 December 2009 £	31 December 2008 £
Amounts due from group undertakings	56,352,483	56,352,483

7 Creditors

	31 December 2009 £	31 December 2008 £
Amounts due to group undertakings	250,602,186	249,002,342
Accruals	84,054	84,054
	250,686,240	249,086,396

8 Called up share capital

	31 December 2009 £	31 December 2008 £
<i>Allotted, called up and fully paid</i>		
3 ordinary shares of £1 each	3	3

Notes (continued)

9 Reserves

	Share premium account £	Retained earnings £
At 31 December 2008	11,870,999	(350,358)
Loss for the year	-	(129,854,170)
	<hr/>	<hr/>
At 31 December 2009	11,870,999	(130,204,528)
	<hr/>	<hr/>

10 Immediate and ultimate parent companies

The Company's immediate parent is Marylebone Warwick Balfour Holdings Limited. The Company's ultimate parent company is MWB Group Holdings Plc. Both companies are registered in England and Wales.

The only group in which the results of the Company are consolidated is that headed by MWB Group Holdings Plc. Copies of its accounts are available from the Company Secretary, City Group P L C, 30 City Road, London EC1Y 2AG.