

Registered in England No: 4175755

SERVICED OFFICES UK (SERVICES) LIMITED
(formerly known as Corporate Centres (Services) Limited)

ANNUAL REPORT AND STATUTORY ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2007



Serviced Offices UK (Services) Limited

(formerly known as Corporate Centres (Services) Limited)

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Serviced Offices UK (Services) Limited

Directors, Advisers and Other Information

Directors:

R P Jones
N J F Mansley (resigned 27 June 2008)
J Gottlieb (resigned 13 June 2008)
D A J Wise (Resigned 9 July 2007)
I B Womack
C J W Laxton
T M V Lineham
N N Shah (appointed 23 July 2008)

Secretary:

Aviva Company Secretarial Services Limited

Auditors:

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers:

National Westminster Bank
2a Charing Cross Road
London
WC2H 0PD

Registered Place of Business:

St Helen's
1 Undershaft
London
EC3P 3DQ
England

Registered No. 4175755

Serviced Offices UK (Services) Limited

Directors' Report

The Directors present their annual report and audited financial statements for Services Offices UK (Services) Limited (the Company) for the year ended 31 December 2007

Directors

The names of the present directors of the Company appear on page 2

Principal activity

The principal activity of the Company was to carry on the business of managing the additional services available to tenants of serviced and managed office buildings operating under the 'IoD Corporate Centres' brand within the UK, which the Serviced Offices UK Limited Partnership invests in

Operations and business review

This business review is addressed to, and written for, the members of the Company with the aim of providing a fair review of the business development, performance and position at the current time, during the financial year and at the end of the financial year. In providing this review, the aim is to present a view that is both balanced and comprehensive and that it is consistent with the size and complexity of the business.

The profit for the year was £157,649 (2006 £63,398). The directors do not recommend the payment of a dividend for year ended 31 December 2007 (2006 Nil).

The directors intend to cease trading within the year ending 31 December 2008 and accordingly the financial statements have been prepared on a break up basis.

Key Performance Indicators ("KPIs")

The directors consider that the performance of the business can be assessed through the use of key performance indicators. These are:

- Turnover
- Operating profit
- Profit before tax

Future developments

The directors aim to maintain the management policies which have resulted in the company's current position. They consider that there will be continued growth in the next year of the Company's continuing operations.

Post balance sheet events

On 18 April 2008 Serviced Offices UK (GP) Limited terminated its agreement with Stonemartin Plc for the provision of services to the three property assets held by Serviced Offices UK Limited Partnership. The effect of this is that this Company ceased to trade as of 18 April 2008.

On 13 August 2008 Corporate Centres (Services) Limited formally changed its name to Serviced Offices UK (Services) Limited.

Serviced Offices UK (Services) Limited

Directors' Report (continued)

Risk Exposure

The main risks of the Partnership are credit risk and operational risk, which are discussed in more detail in Note 13

Directors' interests

The requirement for directors to disclose their interests in the Company's ultimate holding company was repealed by the Companies Act 2006

Indemnity to Directors

The indemnity and the provisions in the Company's Articles of Association constitute "qualifying third party indemnities" for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force as at the date of approving the Directors' report.

Creditor payment policy and practice

It is the Company's policy to pay creditors when they fall due for payment.

Auditors

Ernst & Young LLP will be re-appointed as the Company's auditors in accordance with the elective resolution passed by the Company under section 386 of the Companies Act 1985.

Serviced Offices UK (Services) Limited

Directors' Report (continued)

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the results for that year. In preparing those financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 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.

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the Directors' Report listed on page 2 of these financial statements. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware, and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information

On behalf of the board



Director

29 October 2008

Serviced Offices UK (Services) Limited

Independent Auditors' Report to the Members of Serviced Offices UK Limited ("the Company")

We have audited the Company's financial statements for the year ended 31 December 2007, which comprise Profit and Loss Account, Balance Sheet, and the related notes 1 to 13. These financial statements have been prepared on the basis of 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

As described in the Statement of Directors' Responsibilities the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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 also report to you if, in our opinion, the Directors' Report is consistent with the financial statements, if 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 transactions with the company 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.

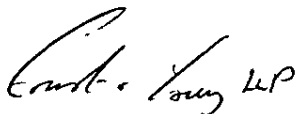
Serviced Offices UK (Services) Limited

Independent Auditors' Report to the Members of Serviced Offices UK (Services) Limited ("the Company") (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 affairs of the Company as at 31 December 2007 and of its profit for the year then ended, and
- 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



Ernst & Young LLP
Registered Auditor
London

30/10/2008

Serviced Offices UK (Services) Limited

Profit and Loss Account

For the year ended 31 December 2007

	Notes	Year to 31 December 2007 £	Year to 31 December 2006 £
Turnover	2	1,363,411	1,422,577
Cost of sales		<u>(1,157,614)</u>	<u>(1,343,468)</u>
Gross Profit		205,797	79,109
Administrative Expenses		<u>(9,350)</u>	<u>(9,350)</u>
Operating Profit	3	196,447	69,759
Taxation	4	<u>(38,798)</u>	<u>(6,361)</u>
Dividend		<u>-</u>	<u>-</u>
Retained Profit for the financial year		<u>157,649</u>	<u>63,398</u>

There are no recognised gains or losses other than the profit attributable to the shareholders of the Company of £157,649 for the year ended 31 December 2007 (2006 £63,398) Accordingly, no statement of Total Recognised Gains and Losses has been presented

There is no difference between the results as described in the Profit and Loss account and the results on an unmodified historical cost basis Accordingly a note of historical cost profit and loss for the year is not given

The notes on pages 10 to 14 form an integral part of these financial statements

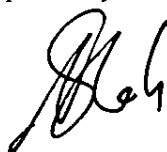
Serviced Offices UK (Services) Limited

Balance Sheet

As at 31 December 2007

	Notes	31 December 2007 £	31 December 2006 £
Current Assets			
Cash at bank and in hand		832,493	399,048
Debtors	5	262,130	425,917
Stock		482	510
		<u>1,095,105</u>	<u>825,475</u>
Creditors: amounts falling due within one year	6	(851,883)	(739,902)
Net Assets		<u>243,222</u>	<u>85,573</u>
Capital and Reserves:			
Share capital	7	1	1
Profit and loss account		243,221	85,572
Equity Shareholders' Funds	8	<u>243,222</u>	<u>85,573</u>

Approved by the Board & signed on its behalf by



Director

29 October 2008

The notes on pages 10 to 14 form an integral part of these financial statements

Serviced Offices UK (Services) Limited

Notes to the Financial Statements

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Part VII of the Companies Act 1985 and applicable accounting standards

The directors intend to cease trading within the year ending 31 December 2008 and accordingly the financial statements have been prepared on a break up basis

(b) Stock

Stock is valued at the lower of cost or net realisable value

2. Turnover

Turnover, which excludes value added tax, represents amounts invoiced to third parties Turnover is attributable to one continuing activity in the UK, management of additional services for managed office buildings operating under the 'IoD Corporate Centres' brand within the United Kingdom

3. Auditors Remuneration

	31 December 2007 £	31 December 2006 £
This is stated after charging		
Auditors' fees - current year	<u>9,350</u>	<u>9,350</u>

During the year none of the directors were remunerated for their services to the Company which related to Serviced Offices UK (Services) Limited The directors do not believe that it is practicable to apportion amounts received between their services as directors of the Company and their services to the holding and fellow subsidiary companies

The Company has no employees

Serviced Offices UK (Services) Limited

Notes to the Financial Statements (continued)

4. Taxation

(a) Operating Profit

	31 December 2007 £	31 December 2006 £
This is stated after charging		
UK Corporation tax	38,798	6,361
	<u>38,798</u>	<u>6,361</u>

(b) Factors affecting current year tax charge for the year

The tax assessed in the profit and loss account is lower than the standard UK corporation tax rate because of the following factors

	31 December 2007 £	31 December 2006 £
Profit on ordinary activities before tax	196,447	69,759
Current charge at UK small companies' corporation tax rate of 19.75% (2006 19%)	38,798	13,254
Tax losses brought forward and utilised		(6,893)
Current tax charge on ordinary activities for the year	<u>38,798</u>	<u>6,361</u>

(c) Factors that may affect future tax charges

There were no unrecognised deferred liabilities at 31 December 2007

Serviced Offices UK (Services) Limited

Notes to the Financial Statements (continued)

5. Debtors

	31 December 2007 £	31 December 2006 £
Trade debtors	242,975	401,477
Prepayments	19,155	24,440
	<u>262,130</u>	<u>425,917</u>

6. Creditors: amounts falling due within one year

	31 December 2007 £	31 December 2006 £
Other taxes	74,316	44,133
Trade creditors	448,626	426,116
Other creditors	112,999	97,288
Accruals	177,144	166,004
Provision for Corporation Tax	38,798	6,361
	<u>851,883</u>	<u>739,902</u>

7. Share Capital

	31 December 2007 £	31 December 2006 £
Authorised 1,000 Ordinary shares of £1 each	1,000	1,000
Issued 1 Ordinary share for £1 – Serviced Offices UK (GP) Limited	<u>1</u>	<u>1</u>

Serviced Offices UK (Services) Limited

Notes to the Financial Statements (continued)

8. Reconciliation of movements in shareholders' funds

	31 December 2007 £	31 December 2006 £
Opening shareholders' funds	85,573	22,175
Profit for the current financial year	157,649	63,398
Closing shareholders' funds	<u>243,222</u>	<u>85,573</u>

9. Cash flow statement

The Company has taken advantage of the exemption given by FRS1 to small companies and has not prepared a cash flow statement

10. Contingent liabilities and commitments

There were no contingent liabilities or commitments at the balance sheet date

11. Related Party Disclosures

The Company has taken advantage of the exemption given by FRS 8 to subsidiary undertakings and has not disclosed related party transactions

12. Parent undertaking and ultimate parent undertaking

The parent company is Serviced Offices UK (GP) Limited

Serviced Offices UK (GP) Limited is owned by Norwich Union (Shareholder GP) Limited, and Britel Fund Nominees Limited. No party has overall control.

Norwich Union (Shareholder GP) Limited is a wholly owned subsidiary of the Aviva plc group of companies.

Britel Fund Nominees Limited is a wholly owned subsidiary of Britel Fund Trustees Limited.

The ultimate holding company of Norwich Union (Shareholder GP) Limited is Aviva plc. Its group financial statements are available on application to the Group Company Secretary, Aviva plc, St Helen's, 1 Undershaft, London EC3P 3DQ.

Serviced Offices UK (Services) Limited

Notes to the Financial Statements (continued)

13. Risk Management

(a) The Aviva Investors Global Services Ltd approach to risk and capital management

Aviva Investors Global Services Ltd operates within the governance structure and priority framework of the Aviva Group. It also has its own established governance framework, with clear terms of reference for the Board and Aviva Investors Executive committee and a clear organisation structure, with documented delegated authorities and responsibilities (largely through role profiles). Aviva Investors Global Services Ltd has an Audit Committee, which includes shareholder representatives.

(b) Management of financial and non-financial risks

The Company's exposure to different types of risk is limited by the nature of its business.

(c) Credit risk

The Company does not have a significant exposure to credit risk as receivables are mainly short-term trading items or inter-entity balances. The Company's investments are managed by agents who have responsibility for the prompt collection of amounts due.

(d) Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems, or from external events. Details of the Aviva Investors Global Services Ltd approach to operational risk are set out in the financial statements of Aviva Investors Global Services Ltd, which manages and administers the Company's investments.