SSI Search Limited

Report and Financial Statements

31 December 2013

Registered No. 4559528

Directors

Mark Keating
Peter Williams

Secretary

James A Thomas

Auditors

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

Registered Office

20 Churchill Place
Canary Wharf
London
E14 5HJ

Strategic Report

The Directors of the Company present their Strategic Report of the company for the year ended 31 December 2013.

The Strategic Report is a new statutory requirement under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, replacing the previous Business Review. The purpose of the Strategic Report is to inform members of the Company and help them assess how the directors have performed their duty under section 172 (duty to promote the success of the Company).

Principal activities and review of the business

The company's principal activity is a specialist provider for the management of reference data to the international finance community. However, there are some instances where it may make investments in other State Street affiliated companies. The company owns preference shares to the value of € 17,616,074 in State Street Holdings Italy S.r.l which was funded by the drawdown of loans of € 12,000,000 and CHF 6,800,000 from other company affiliates, and at a term of 10 years.

There is a negative equity position of £763,126 due to losses made in two consecutive years. Included in these losses were interest expense of £410,455 and £40,998 and foreign currency translation losses of £376,975 and £79,110 for 2013 and 2012, respectively, related loans utilised to fund the purchase of the Euro denominated preference shares in State Street Holding Italy SRL. As stated in Note 7, the preference shares are cumulative with an annual dividend of EUR 680,000. As of the date of the financial statements, no dividend had been declared on the preferences shares for 2013 and 2012 and no foreign currency translation gain had been recognised.

Principal risks and uncertainties

The company limits the adverse effects of any risks on its financial performance by complying with risk management policies established by its ultimate parent undertaking, State Street Corporation. The most significant risk relates to the potential impairment of the company's investment in State Street Holding Italy SRL. To manage this risk, the company continually reviews the performance of State Street Holding Italy SRL and its subsidiaries to monitor for any indicators of impairment.

Future Developments

The directors will continue to closely monitor the company's progress. There were no significant events affecting the company after the year end. State Street Corporation is currently reviewing its European legal entity footprint which includes the Company and its affiliates. As at the date of the signing of these financial statements, the directors of the company had neither committed to nor approved any initiatives.

On behalf of the Board

Peter Williams
Director
12 th September 2014

Directors' Report

The Directors present their report and audited financial statements for the year ended 31 December 2013. In accordance with section 414C(11) the directors have set out the Review of the business and Principal risks and uncertainties within the Company's Strategic report. These were previously set out in the Directors' report.

Results and dividends

Turnover increased by 2.5% during the year due to increase of subscription fees from customers.

The company made a loss for the year after taxation of £783,209 (2012: loss of £119,145), as result of accrued interest on loans payable to affiliates. The directors do not recommend the payment of a dividend for the year (2012: £nil).

Directors

The directors during the year were as follows:

Mark Keating
Wendy MacDonald (resigned – 20/01/2014)
Peter Williams (appointed – 12/09/2014)

None of the directors held any disclosable interest in the shares of the company.

Secretary

James A Thomas (appointed 25/2/2013)
Andrea Steel (resigned 25/2/2013)

Directors' indemnification

There is a power under the Articles for the Company to indemnify each person who is a director of the company out of the assets of the company against all costs, charges, losses and liabilities incurred by the director of the company in the proper execution of their duties or the proper exercise of their powers, authorities and discretions.

Going Concern

The company's business activities together with factors likely to affect its future development, its financial position, financial risk management objectives and its risk exposures are set out above and in the Strategic Report.

The company has adequate financial reserves together with long term contracts with a number of customers. As a consequence, the directors believe that the company is well placed to manage its business risk successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-Appointment Of Auditors

In accordance with s485 of the Companies Act 2006, a resolution to re-appoint Ernst & Young LLP as auditor will be proposed at the Annual General Meeting.

On behalf of the Board

Director Peter Williams
12th September 2014

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the 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 or loss of the Company for that period. 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 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 to 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.

Independent auditors' report

to the members of SSI Search Limited

We have audited the financial statements of State Street London Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 13. 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 company's affairs as at 31 December 2013 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.

Emphasis of matter

We draw your attention to Note 12 – 'Reconciliation of movements in Shareholders' funds', which shows a Shareholders' funds balance of £763,126 reported on the Balance sheet. This reflects the loss for the financial year after taxation of £783,209 and £119,145 in 2013 and 2012, respectively. The Company holds an investment in Preference shares of State Street Holding Italy SRL that are entitled to a cumulative annual dividend of €680,000 for both 2013 and 2012 that has not been declared to date. Our opinion is not qualified in respect of this matter.

Independent auditors' report (continued)

to the members of SSI Search Limited

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.

Ernst & Young LLP

Michael-John Albert (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
16th September 2014

Profit and loss account

for the year ended 31 December 2013

	Note	*2013* £	*2012* £
Turnover	2	159,376	155,501
Administrative expenses		(532,130)	(233,648)
Operating Loss	3	(372,754)	(78,147)
Interest expense		(410,455)	(40,998)
Loss before taxation		(783,209)	(119,145)
Taxation	5	-	-
Loss for the financial year after taxation		(783,209)	(119,145)

There are no recognised gains or losses for the current financial year and preceding financial year other than as stated in the profit and loss account. Accordingly no statement of total recognised gains and losses has been presented.

All income and expenditure relates to continuing operations.

The accompanying notes are an integral part of these financial statements.

Balance sheet

as at 31 December 2013

	Notes	2013 £	2012 £
Fixed Assets			
Investments in affiliates	7	14,214,289	14,214,289
		14,214,289	14,214,289
Current assets			
Cash at bank		105,966	152,749
Amounts due from other affiliates		29,805	21,204
Debtors	6	116,855	70,623
		252,626	244,576
Creditors:			
Amounts falling due within one year	8	(89,004)	(83,181)
Amounts due to other affiliates	9	(117,703)	-
Net Current Assets		45,919	161,395
Total Assets less Current Liabilities		14,260,208	14,375,684
Creditors			
Amounts falling due after more than one year	10	(15,023,334)	(14,355,601)
Net Assets		(763,126)	20,083
Capital and reserves			
Called up share capital	11	2,200,000	2,200,000
Retained loss	12	(2,963,126)	(2,179,917)
Shareholder's funds	12	(763,126)	20,083

The accompanying notes are an integral part of these financial statements.

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

Peter Williams
Director

12th September 2014

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practices). The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents the invoiced value of sales on transactions excluding VAT. Revenue is recognised on provision of service in accordance with the terms of contractual arrangements with customers.

Related party transactions

In accordance with Financial Reporting Standard 8, the company is exempt from the requirement to disclose transactions with related parties on the grounds that it is a wholly owned subsidiary of a group for which consolidated financial statements are prepared and are publicly available.

Cash flow statement

In accordance with the financial reporting standard 1 (revised 1996) the company is exempt from preparing a cash flow statement on the grounds that it is a wholly owned subsidiary of a group for which financial statements are prepared and are publically available.

Investment in affiliates

Investments are recognised at cost less any permanent diminution in value.

Foreign Currencies

Transactions during the year denominated in foreign currencies have been translated at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account. Certain loan repayment balances which are translated at the forward contract rate where the instalment amounts have been hedged with a forward contract at the balance sheet date.

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2013

2. Turnover

Turnover is attributable to the principal activity of the company and arose in the United Kingdom.

	2013	2012
	£	£
Turnover	159,376	155,501

3. Loss before Taxation

	2013	2012
	£	£
This is stated after charging:		
Auditors' Remuneration – Audit	11,825	6,775
Auditors' Remuneration – Non-Audit	4,400	1,800
Foreign Exchange losses	376,975	79,110
Transfer Pricing Expense	138,403	144,905
Other Fees	527	1,058
	532,130	233,648

4. Information Regarding Directors and Employees

The company had no employees throughout the current and prior year.

The directors were employed and remunerated as directors or executives of State Street Corporation and its subsidiaries ("the Group") in respect of their services to the Group as a whole and their remuneration has been paid by other Group entities. It is estimated that the remuneration for their services to the company in the year totalled £1,000 (2012: £1,000).

5. Taxation

Tax on loss on ordinary activities

The tax assessed on the loss on ordinary activities for the year is different than the hybrid statutory corporate tax rate in the UK of 23.25% (2012: 24.5%). The differences are explained below:

	2013	2012
	£	£
Loss on ordinary activities before tax	(783,209)	(119,145)
Loss on ordinary activities multiplied by the hybrid statutory corporate tax rate in the UK of 23.25% (2012: 24.5%)	(182,096)	(29,190)
Effect of:		
Losses not utilised	-	29,190
Expenses not deductible for tax purposes	87,055	-
Group relief not paid for	95,041	-
Current tax charge	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2013

5. Taxation (Continued)

There are no deferred tax liabilities. The company has unrelieved trading losses carried forward of approximately £969,668 (2012: loss of £1,089,776) which equates to a deferred tax asset of approximately £193,934 (2012: deferred tax asset of £250,648). No deferred tax asset has been recognised in respect of the losses as their utilisation is not currently anticipated by the directors.

The Finance Act 2013 enacted reductions in the rate of UK corporation tax to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015.

6. Debtors

	2013	*2012*
	£	*£*
Amounts owing from Group subsidiaries	2,497	165
Trade debtors	114,358	70,458
	116,855	70,623

7. Investment in Affiliates

	2013	*2012*
	£	*£*
Investment – Preference shares in State Street Holding Italy SRL	14,214,289	14,214,289

On the 26th November 2012 the entity purchased preference shares in an affiliate being State Street Holding Italy SRL, this was funded by two loans made to SSI Search by two company affiliates. A dividend of €680,000 per annum is accumulated on the preference shares and there is no maturity date set for the preference shares.

8. Creditors: Amounts Falling Due Within One Year

	2013	*2012*
	£	*£*
Accruals and deferred income	72,019	71,196
Other Creditors	16,985	11,985
	89,004	83,181

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2013

9. Creditors: Amounts due to other affiliates

Amounts due to other affiliates are generally with SSBT and are repayable on demand. Balances outstanding with SSBT are generally charged with interest at LIBOR.

The Company holds a Liquidity Facility Agreement with State Street Bank and Trust Company ("SSBTC"). The agreement holds a credit facility up to the value of CHF 2million. Pursuant to the liquidity facility agreement between the parties, the facility may be drawn with maturities out to 2 years.

10. Creditors: Amounts Falling Due after more than one year

	2013	*2012*
	£	*£*
Unsecured Loans	14,579,986	14,314,711
Other Creditors	443,348	40,890
	15,023,334	14,355,601

Other Creditors represent the interest payable on the principal amount of the loans with State Street affiliated companies.

Loans & Borrowings

	2013	*2012*
	£	*£*
In more than five years	14,579,986	14,314,711

Details of loans wholly repayable over five 5 years are as follows:

CHF 6,800,000 zero coupon loan at a discount rate of 1.87%	4,593,717	4,581,915
EURO 12,000,000 zero coupon loan at a discount rate of 2.7%	9,986,269	9,732,796
	14,579,986	14,314,711

Loans are repayable in full on maturity, beginning 19 November 2022, and are zero coupon with a single payment (issue price plus imputed interest) at maturity.

11. Called up Share Capital

	2013	*2012*
	£	*£*
Called up, allotted and fully paid:		
1,100,000 ordinary "A" shares of £1 each	1,100,000	1,100,000
1,100,000 ordinary "B" shares of £1 each	1,100,000	1,100,000
	2,200,000	2,200,000

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2013

12. Reconciliation of movements in Shareholders' funds and reconciliation of Movement on Reserves

	Share Capital	*Profit and Loss account*	*Total*
	£	*£*	*£*
At 1 January 2013	2,200,000	(2,179,917)	20,083
Retained loss for the financial year	-	(783,209)	(783,209)
At 31 December 2013	2,200,000	(2,963,126)	(763,126)

There is a negative equity position of £763,126 due to losses made in two consecutive years. Included in these losses were interest expense of £410,455 and £40,998 and foreign currency translation losses of £376,975 and £79,110 for 2013 and 2012, respectively, related loans utilised to fund the purchase of the Euro denominated preference shares in State Street Holding Italy SRL. As stated in Note 7, the preference shares are cumulative with an annual dividend of EUR 680,000. As of the date of the financial statements, no dividend had been declared on the preferences shares for 2013 and 2012 and no foreign currency translation gain had been recognised.

13. Ultimate parent undertaking

The company's immediate parent undertaking is State Street International Holdings. The ultimate parent company and controlling party is State Street Corporation, incorporated in the Commonwealth of Massachusetts, in the United States of America. State Street Corporation's consolidated financial statements can be obtained from One Lincoln Street, Boston, Commonwealth of Massachusetts, United States of America.