CREDIT SUISSE

DLJ UK INVESTMENT HOLDINGS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

Company Registration Number 03424583

DLJ UK Investment Holdings Limited

Board of Directors

David Long

Costas P Michaelides

Paul E Hare

Company Secretary

Paul E Hare

DLJ UK Investment Holdings Limited
Directors' Report for the year ended 31 December 2010

The Directors present their report and the financial statements for the year ended 31 December 2010

Business review and principal activities

DLJ UK Investment Holdings Limited (the "Company") is an investment holding company, whose ultimate parent is Credit Suisse Group AG

Credit Suisse Group AG, a company domiciled in Switzerland, is the ultimate parent of a worldwide group of companies (collectively referred to as the Credit Suisse group) specialising in Investment Banking, Private Banking and Asset Management

The principal activity of the Company together with its subsidiaries (the "Group") is that of investment holding

The DLJ UK Investment Holdings Limited (the Group's) interests include Credit Suisse BG Strategy Investments (UK) (formerly known as LG/SL (Property Management)), which facilitates the funding of Credit Suisse group entities through finance transactions, and DLJ International Group Limited, who is the holding company for

- DLJ UK Holding, whose principal activity is that of an investment company,
- Donaldson, Lufkin & Jenrette International, whose activities comprise of the holding of investments and expected to be liquidated in future,
- DLJIS Holdings Limited which is dormant,
- DLJ Group, whose activities comprise of the holding of investments from which the principal source of income derived is interest,
- DLJ Investment Partner II Limited, which is indirectly held through DLJ Group, was a limited partner in three limited partnerships, Phoenix General Partner Limited Partnership II ("Limited Partnership II"), Phoenix Equity Partners II "A" and Phoenix Equity Partner II "B" On 15 April 2009, these partnerships were closed, and
- Park Acquisitions Limited ("PAL"), whose activity is that of a holding company

DLJ International Group Limited is a Class B shareholder of Credit Suisse Shimada Investments (Gibraltar), and is entitled to 30% of all the votes available to be exercised The Class A shareholder is entitled to the remaining 70% voting interest and has control over the financial and operating policies, and decision making capabilities

On 24 March 2010, Donaldson Lufkin & Jenrette International reduced its share capital by cancelling 1,566,320,465 Class A ordinary shares of US$0 50 each and 5,896,976 Class B preference shares of US$0 50 each and returned the share capital to its parent company DLJ International Group Limited On the same day, it transferred the entire equity interest of one Ordinary Share of US$1 of its subsidiary DLJIS Holdings Limited to DLJ International Group Limited

On 22 April 2010, DLJ Group increased its authorised USD share capital by the creation of 100,000,000 ordinary USD B shares of US$1 00 each with no voting right attached Subsequently, on 27 April 2010, it issued 368,966,893 ordinary USD B shares fully paid at US$1 00 each to Credit Suisse Shimada Investments (Gibraltar)

In April 2010, DLJ International Group Limited contributed US$1,842,716 (GBP1,210,680) for 10% share in the capital of a third party entity Crosshill Finance Limited On 1 August 2010, US$1,663,280(GBP1,094,065) of this investment was reduced on account of impairment Further, 0 01% of the remaining investment was disposed off in November 2010 for US$179 Accordingly, the DLJ International Group Limited currently holds 9 99% of the share capital in the entity with a carrying value of US$179,257 as at the year end

Business review and principal activities (continued)

During the year, the parent of the Company changed from Credit Suisse (International) Holding AG to Credit Suisse AG by operation of Universal Succession under Swiss law

Going concern basis

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in the net current assets, as Credit Suisse AG, Zurich has confirmed its intention to provide the necessary financial support to the Company to continue operations and meet its liabilities as and when they fall due

Performance

The Group reported a loss after tax, attributable to shareholders, for the year of US$17,783,000 (2009 Profit US$33,499,000)

As at 31 December 2010 the Group had total assets of US$14,829,447,000 (2009 US$14,135,878,000) and net assets position of US$2,795,113,000 (2009 US$2,064,593,000) Movement in net assets position is on account of loss for the year, shares issued to non-controlling interest of US$368,968,000 (2009 US$Nil) and gain on translation differences relating to financial statements of foreign subsidiaries and associates of US$379,335,000 (2009 Loss US$94,554,000)

Principal risks and uncertainties

The Group's activities expose it to a variety of financial risks market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk The overall risk management programme focuses on the predictability of financial markets and seeks to minimise potential adverse effects on the Group's performance

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by its Board of Directors Group Treasury identifies, evaluates and hedges financial risks The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative instruments and non-derivative financial instruments, and investing excess liquidity

Share capital

No additional share capital was issued by the Company during the year (2009 US$Nil)

Dividends

No dividends were paid or are proposed during the year (2009 US$Nil)

Financial risk management

The Group's financial risk management objectives and policies and the exposure of the Group to foreign exchange risk, credit risk, liquidity risk, and interest rate risk are outlined in note 27

Directors

The names of the directors as at the date of this report are set out on page 2 Changes in the directorate since 31 December 2009, and up to the date of this report are as follows

Resignations	Kevin L Studd	16 September 2010
Appointments	Paul E Hare	16 September 2010

Directors (continued)

None of the directors who held office at the end of the financial year was beneficially interested, at any time during the year, in the shares of the Company or had any disclosable interest in shares of Credit Suisse group companies

All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report

Disclosure of information to auditor

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 Group's auditor is unaware, and each director has taken all steps that he/she ought to have taken as a director to make himself/herself aware of relevant audit information and to establish that the Group's auditor is aware of that information

Donations

No charitable or political donations were made during the year (2009 US$Nil)

Auditor

Pursuant to section 487 Companies Act 2006, KPMG Audit Plc continues in office as the Company's and Group's auditor

Prompt payment code

It is the policy of the Group to pay all invoices in accordance with contract and payment terms

International financial reporting standards

The Group's 2010 annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (EU)

Subsequent events

There were no subsequent events that require disclosure as at the date of this report

By Order of the Board

Paul E Hare
Company Secretary
One Cabot Square
London E14 4QJ

22 September 2011

Company Registration Number 03424583

DLJ UK INVESTMENT HOLDINGS LIMITED
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 group and parent company financial statements for each financial year Under that law they have elected to prepare the group and parent company financial statements in accordance with IFRS as adopted by the EU and applicable laws

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 parent company and of their profit and loss 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 judgements and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRS as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent company and enable them to ensure that its 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 group and the parent company and to prevent and detect fraud and other irregularities

Independent Auditor's Report to the Members of DLJ UK Investment Holdings Limited

We have audited the financial statements of DLJ UK Investment Holdings Limited for the year ended 31 December 2010 set out on pages 8 to 48 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU and, as regards the parent company ("the Company") financial statements, as applied in accordance with the provisions of the Companies Act 2006

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 Statement of Directors responsibilities set out in page 6, 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 Auditing Practices Board's (APB's) Ethical Standard 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 http //www frc org uk/apb/scope/private cfm

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 2010 and of the group's loss for the year then ended,
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU,
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006, and
- the financial statements 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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 out audit

Nicholas J Edmonds (Senior Statutory Auditor)

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL
22 September 2011

DLJ UK Investment Holdings Limited
Consolidated Statement of Income for the year ended 31 December 2010

	Note	2010 US$'000	2009 US$'000
Revenue	2(r)	112	225
Interest income	3	133,272	220,700
Finance cost	4	(131,064)	(214,868)
Net interest income		**2,208**	**5,832**
Gain on derivative financial instruments	5	1,278	10,197
Other income	6	4,623	2,251
Net operating income		**8,221**	**18,505**
Administrative expenses	7	(11,182)	(19,884)
Other expenses	7	-	(1,842)
Share of loss of equity accounted investee (net of income tax)	13	(7,259)	(7,235)
Impairment of other investments	12	(1,664)	-
Loss before tax		**(11,884)**	**(10,456)**
Income tax (expense)/ benefit	8	(5,899)	43,955
(Loss)/ Profit for the year		**(17,783)**	**33,499**
Attributable to			
Equity holders of parent		(23,028)	12,021
Non controlling interest		5,245	21,478
Total		**(17,783)**	**33,499**

Loss for 2010 and profit for 2009 are from continuing operations

The Company's loss after tax was US$ 14,208,000 for the year ended 31 December 2010 (2009 profit US$136,306,000)

The notes on pages 17 to 48 form an integral part of these consolidated financial statements

DLJ UK INVESTMENT HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 US$'000	2009 US$'000
Net (Loss)/ Profit for the year		(17,783)	33,499
Foreign currency translation gain/ (loss)	24	379,335	(94,554)
Other comprehensive income/ (loss)		**379,335**	**(94,554)**
Comprehensive income/ (loss)		**361,552**	**(61,055)**

The notes on pages 17 to 48 form an integral part of these consolidated financial statements

DLJ UK INVESTMENT HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	2010 US$'000	2009 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	9	-	-
Loans and receivables	10	12,928	43,270
Other investments	12	4,893	4,714
Investment in associates	13	2,899,379	2,527,450
Trade and other receivables	15	9,028,277	9,028,277
Deferred tax assets	8	75,161	79,685
Total non-current assets		12,020,638	11,683,396
Current assets			
Inventories	14	87	260
Loans and receivables	10	17,646	25,932
Trade and other receivables	15	2,441,660	2,404,182
Derivative financial instruments	16	-	16,130
Cash and cash equivalents	17	349,286	5,978
Tax receivable	18	130	-
Total current assets		2,808,809	2,452,482
Total assets		14,829,447	14,135,878
LIABILITIES			
Non-current liabilities			
Borrowings	19	9,028,277	10,995,929
Trade and other payables	21	310	510
Deferred tax liabilities	8	58	71
Total non-current liabilities		9,028,645	10,996,510
Current liabilities			
Bank overdrafts	20	1,040	331
Borrowings	19	2,020,009	80,521
Trade and other payables	21	984,189	989,454
Derivative financial instruments	16	451	1,677
Tax payables	22	-	2,792
Total current liabilities		3,005,689	1,074,775
Total liabilities		12,034,334	12,071,285
SHAREHOLDERS' EQUITY			
Share capital	23	115,978	115,978
Retained earnings		(923,774)	(900,746)
Capital reserve	24	221,807	221,807
Translation reserve	24	929,866	550,531
Non controlling interest		2,451,236	2,077,023
Total shareholders' equity		2,795,113	2,064,593
Total shareholders' equity and liabilities		14,829,447	14,135,878

The notes on pages 17 to 48 form an integral part of these consolidated financial statements

Approved by the Board of Directors on 22 September 2011 and signed on its behalf by

David Long
Director

DLJ UK INVESTMENT HOLDINGS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	2010 US$'000	2009 US$'000
ASSETS			
Non-current assets			
Investment in subsidiaries	11	11,347,226	11,347,226
Total non-current assets		11,347,226	11,347,226
Current assets			
Trade and other receivables	15	33,501	33,727
Cash and cash equivalents	17	1,016	27
Total current assets		34,517	33,754
Total assets		11,381,743	11,380,980
LIABILITIES			
Non-current liabilities			
Borrowings	19	9,028,277	10,995,929
Total non-current liabilities		9,028,277	10,995,929
Current liabilities			
Bank overdraft	20	1,021	298
Borrowings	19	1,978,055	-
Trade and other payables	21	464,831	460,986
Total current liabilities		2,443,907	461,284
Total liabilities		11,472,184	11,457,213
SHAREHOLDERS' EQUITY			
Share capital	23	115,978	115,978
Retained earnings		(206,419)	(192,211)
Total shareholders' equity		(90,441)	(76,233)
Total shareholders' equity and liabilities		11,381,743	11,380,980

The notes on pages 17 to 48 form an integral part of these Company financial statements

Approved by the Board of Directors on 22 September 2011 and signed on its behalf by

David Long
Director

DLJ UK Investment Holdings Limited

Consolidated Statement of Changes in Equity for the year ended 31 December 2010

	Share capital US$'000	Retained earnings US$'000	Other reserves: Capital reserve US$'000	Other reserves: Translation reserve US$'000	Total Reserve attributable to equity holder US$'000	Non controlling interest US$'000	Total US$'000
Balance at 1 January 2010	**115,978**	**(900,746)**	**221,807**	**550,531**	**(128,408)**	**2,077,023**	**2,064,593**
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	379,335	379,335	-	379,335
Net income and expense recognised directly in equity	-	-	-	**379,335**	**379,335**	-	**379,335**
(Loss)/Profit for the year		(23,028)	-	-	(23,028)	5,245	(17,783)
Total recognised income and expense for the year	-	**(23,028)**	-	**379,335**	**356,307**	**5,245**	**361,552**
Issuance of shares to Non controlling interest shareholder	-	-	-	-	-	368,968	368,968
Balance at 31 December 2010	**115,978**	**(923,774)**	**221,807**	**929,866**	**227,899**	**2,451,236**	**2,795,113**

The notes on pages 17 to 48 form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital US$'000	Retained earnings US$'000	Other reserves Capital reserve US$'000	Other reserves Translation reserve US$'000	Total Reserve attributable to equity holder US$'000	Non controlling interest US$'000	Total US$'000
Balance at 1 January 2009	**115,978**	**(912,767)**	**221,807**	**645,085**	**(45,875)**	**2,055,545**	**2,125,648**
Translation differences relating to financial statements of foreign subsidiaries and associates	-	-	-	(94,554)	(94,554)	-	(94,554)
Net income and expense recognised directly in equity	-	-	-	**(94,554)**	**(94,554)**	-	**(94,554)**
Profit for the year	-	12,021	-	-	12,021	21,478	33,499
Total recognised income and expense for the year	-	**12,021**	-	**(94,554)**	**(82,533)**	**21,478**	**(61,055)**
Balance at 31 December 2009	**115,978**	**(900,746)**	**221,807**	**550,531**	**(128,408)**	**2,077,023**	**2,064,593**

The notes on pages 17 to 48 form an integral part of these consolidated financial statements

DLJ UK INVESTMENT HOLDINGS LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010

	Share capital	Retained earnings	Total
	US$'000	US$'000	US$'000
Balance at 1 January 2010	**115,978**	**(192,211)**	**(76,233)**
Profit for the year	-	(14,208)	(14,208)
Total recognised income and expense for the year	**-**	**(14,208)**	**(14,208)**
Balance at 31 December 2010	**115,978**	**(206,419)**	**(90,441)**

	Share capital	Retained earnings	Total
	US$'000	US$'000	US$'000
Balance at 1 January 2009	**115,978**	**(328,517)**	**(212,539)**
Profit for the year	-	136,306	136,306
Total recognised income and expense for the year	**-**	**136,306**	**136,306**
Balance at 31 December 2009	**115,978**	**(192,211)**	**(76,233)**

The notes on pages 17 to 48 form an integral part of these Company financial statements

DLJ UK INVESTMENT HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2010

	Note	2010 US$'000	2009 US$'000
Cash flow from operating activities			
Loss before tax for the year		**(11,884)**	**(10,456)**
Adjustments to reconcile net profit to net cash (used in) / provided by operating activities			
Non-cash items included in loss before tax and other adjustments			
Depreciation on property, plant and equipment	9	-	15
Net gain on disposal of other investments	12	-	(20)
Foreign exchange (gain)/ loss on taxes		(22)	5,204
Loss on sale of property, plant and equipment		-	369
Share of results of investment in associate		7,259	7,235
Impairment of investment	12	1,664	-
Net interest income		(2,208)	(5,832)
Operating loss before working capital changes		**(5,191)**	**(3,485)**
(Increase)/decrease in operating assets			
Trade and other receivables		(39,775)	3,034
Derivative financial instruments		14,951	(9,989)
Loans & receivables		36,711	55,808
Inventories		166	66
Decrease in operating liabilities			
Trade and other payables		(7,681)	(520)
Cash (used in)/ generated from operations		(819)	44,914
Interest received		133,102	371,068
Interest paid		(130,728)	(369,017)
Income tax paid		-	(103)
Net cash flow generated from operating activities		1,555	46,862
Investing activities			
Proceeds from disposal of other investments		-	26
Purchase of property, plant and equipment		-	(5)
Proceeds from disposal of property, plant and equipment		-	19
Acquisition of other investments		(1,843)	-
Net cash flow (used in)/ generated from investing activities		(1,843)	40
Financing activities			
Issuance of shares by subsidiary to Non controlling interest		368,968	-
Decrease in borrowings		(25,946)	(50,435)
Net cash flow generated from/ (used in) financing activities		343,022	(50,435)
Net increase/ (decrease) in cash and cash equivalents		342,734	(3,533)
Cash and cash equivalents at beginning of the year		5,647	8,515
Effect of exchange rate on cash held		(135)	665
Cash and cash equivalents at end of the year		348,246	5,647

Cash and cash equivalents are analysed as follows

	Note	2010 US$'000	2009 US$'000
Cash and cash equivalents	17	349,286	5,978
Bank overdrafts	20	(1,040)	(331)
		348,246	5,647

The notes on pages 17 to 48 form an integral part of these consolidated financial statements

DLJ UK INVESTMENT HOLDINGS LIMITED
COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2010

	Note	2010 US$'000	2009 US$'000
Cash flow from operating activities			
(Loss)/ Profit before tax for the year		(14,208)	136,306
Adjustments to reconcile net loss to net cash used in operating activities			
Net interest expense		127,853	208,763
Operating profit before working capital changes		113,645	345,069
Net movement in operating assets and liabilities			
Decrease in trade and other receivables		226	1,148
Increase in trade and other payables		3,827	9,638
Cash generated from operations		117,698	355,855
Interest received		67	60
Interest paid		(127,902)	(362,652)
Net cash flow used in operating activities		**(10,137)**	**(6,737)**
Financing activities			
Increase in borrowings		10,403	6,354
Net cash flow from financing activities		**10,403**	**6,354**
Net decrease in cash and cash equivalents		**266**	**(383)**
Cash and cash equivalents at beginning of the year		(271)	112
Cash and cash equivalents at end of the year		**(5)**	**(271)**

Cash and cash equivalents are analysed as follows

	Note	2010 US$'000	2009 US$'000
Cash and cash equivalents	17	1,016	27
Bank overdraft	20	(1,021)	(298)
		(5)	**(271)**

The notes on pages 17 to 48 form an integral part of these Company financial statements

1 General

DLJ UK Investment Holdings Limited is a Company incorporated and domiciled in the United Kingdom The consolidated financial statements for the year ended 31 December 2010 comprise the Company and its subsidiaries (together referred to as the "Group") as set out in Note 11

2 Significant accounting policies

a) Statement of compliance

Both the Group financial statements and the Company financial statements have been prepared on a going concern basis and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRS") and are in compliance with Companies Act 2006 On publishing the Company financial statements here together with the group financial statements, the Company is taking advantage of the exemption in Section 408 of the Companies Act 2006 not to present its individual statement of income and related notes

b) Basis of preparation

The financial statements are presented in United States Dollars (US$) which is the functional currency of the Company, rounded to the nearest thousand They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value derivative financial instruments held for trading

The preparation of financial statements in conformity with adopted IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision has a significant effect on both current and future periods

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in the net current assets, as Credit Suisse AG, Zurich has confirmed its intention to provide the necessary financial support to the Company to continue operations and meet its liabilities as and when they fall due

Standards and Interpretations in issue but not yet effective

The Company is not required to adopt the following standards and interpretations which are issued but not yet effective

- Revised IAS 24 Related Party Disclosures - The objective of the revised IAS 24 is to simplify and ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties

2 Significant accounting policies (continued)

b) Basis of preparation (continued)

Standards and Interpretations in issue but not yet effective (continued)

- Improvements to IFRSs (Issued by IASB in May 2010) - These amendments which resulted from IASB's annual improvements project comprise amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to a variety of individual IFRS standards

- IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments - IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or in part, a financial liability It does not address the accounting by the creditor (lender)

The expected impact of the standards and interpretations issued but not yet effective is still being assessed, however, the Group does not anticipate that the above interpretations will have a material impact on the reported numbers in the financial statements in the period of initial application The accounting policies have been applied consistently by the Group

Certain reclassifications have been made to the prior year financial statements of the Group to conform to the current year's presentation These reclassifications are not material

The accounting policies have been applied consistently by group entities

The financial statements of the subsidiary, Park Acquisitions Limited ("PAL") included in the Group accounts have been prepared on a going concern basis PAL is dependent for its working capital on funds provided to it by Credit Suisse AG Credit Suisse AG has indicated that for at least 12 months from the date of approval of PAL financial statements, it will continue to make available such funds as are needed by PAL and in particular will not seek repayment of the amounts currently made available The PAL directors consider that this should enable PAL to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment As with any company placing reliance on other group entities for financial support, PAL's directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of PAL financial statements, they have no reason to believe that it will not do so

Based on this undertaking PAL's directors believe that it remains appropriate to prepare the financial statements on a going concern basis However, the uncertainty may cast significant doubt on PAL's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business The PAL financial statements do not include any adjustments that would result from the basis of preparation being inappropriate

c) Basis of consolidation

The consolidated financial statements include the results and positions of the Company and its subsidiaries The consolidated financial statements include the statement of income, statement of financial position, statement of cash flows, statements of changes in equity and the related notes of the Group and Company

2 Significant accounting policies (continued)

c) Basis of consolidation (continued)

A subsidiary is an entity in which the Company holds, directly or indirectly, more than 50% of the outstanding voting rights, or which it otherwise has the power to control Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities The results of subsidiaries acquired are included in the consolidated financial statements from the date that control commences until the date that control ceases Investments in subsidiary undertakings are accounted for at cost, in accordance with IAS27 'Consolidated and Separate Financial Statements', in the Company's stand alone accounts

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment

Sale of interest in subsidiary that is under common control is accounted by using the book value approach, whereby the excess cash received over the cost of investment is treated as an adjustment to equity

Sale of interest in associate that is under common control is accounted for by using the fair value approach

Transfer of interest in subsidiary from entities under common control is accounted for at book value The excess of the consideration given over the historical cost is recorded as additional paid in capital

In case of acquisition of a minority interest in subsidiary which has already been controlled by the Group, the difference between the consideration paid and the share of the book value of net assets of the subsidiary acquired is recorded as an adjustment to equity

d) Foreign currency

Transactions denominated in currencies other than the functional currency of the reporting entity are translated at the foreign exchange rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies at balance sheet date are translated to US$ at the foreign exchange rate ruling at that date Foreign exchange differences arising from translation are recognised in the income statement Non-monetary assets and liabilities denominated in foreign currencies at balance sheet date are not revalued for movements in foreign exchange rates

For the purpose of consolidation, the assets and liabilities of subsidiaries operations with functional currencies other than US$ are translated into US$ equivalents using spot foreign exchange rates applicable at balance sheet date, whereas revenues and expenses are translated using the average foreign exchange rate for the period The resulting translation differences are recorded directly in shareholders' equity as translation reserves

2 Significant accounting policies (continued)

e) Loans and receivables

Loans and receivables are recognised when cash is advanced to borrowers They are initially recorded at fair value plus any directly attributable transaction costs and subsequently are amortised on an effective yield basis, less impairment losses In the event of an impairment loss the effective yield will be re-estimated When calculating the effective yield, the Group estimates cash flows considering all contractual terms of the financial instruments including premiums, discounts, fees and transaction costs, but not future credit losses

In respect of loans and receivables, including receivables under hire purchase contracts, the Group assesses on an on-going basis whether there is objective evidence that a loan asset or a group of loan assets is impaired A loan asset or a group of loan assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and the loss event has an impact on the estimated future cash flows of the loan asset or group of loan assets that can be reliably estimated

The Group first assesses whether objective evidence of impairment exists individually for loan assets that are individually significant, and either individually or collectively for loan assets that are not individually significant

If there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the loan asset's original Effective Interest Rate (EIR) The carrying amount of the asset is reduced through the use of a loan loss provision The amount of the loss is recognised in the income statement as a loan loss provisioning charge within administrative expenses

For the purposes of a collective evaluation of impairment, loan assets are grouped on the basis of similar credit risk characteristics Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated Future cash flows for a group of loan assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets and historical loss experience for assets with credit risk characteristics similar to those in the group

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently

f) Other investments

Investment in partnerships

Investment in partnerships is recorded at cost and assessed for impairment on an annual basis Any charges relating to the impairment of these investments are recognised in the income statement in the period in which the impairment occurs When investments are disposed off, the profit/ (loss) resulting from the disposal are recognised in the income statement

Non-marketable equity securities

Non-marketable equity securities are classified as available-for-sale financial assets Equity instruments that do not have a quoted market price in an active market and in respect of which the range of fair value estimates is significant are measured at cost less impairment if the probabilities of the various estimates cannot be reasonably assessed

2 Significant accounting policies (continued)

g) Investment in associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity

Associates entities are accounted for using the equity method (equity accounted investees) The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee

h) Investment in subsidiaries

Investment in subsidiaries is recorded at cost and is assessed for impairment on an annual basis Any charges relating to the impairment of investments in subsidiaries are recognised in the income statement in the period in which the impairment occurs When investments are disposed, the profit/ (loss) resulting from the disposal is recognised in the income statement

Subsidiaries are entities controlled by the Group Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities In assessing control, potential voting rights that presently are exercisable are taken into account The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases

i) Inventories

Inventories comprise motor vehicles held for resale and are stated at the lower of actual cost and net realisable value Net realisable value is the estimated selling price in the ordinary course of business, less variable selling expenses

j) Netting

The Group only offsets financial assets and liabilities and presents the net amount in the balance sheet where it

- currently has a legally enforceable right to set off the recognised amounts, and
- intends either to settle on a net basis, or to realise the asset and liability simultaneously

Intercompany balances with other Credit Suisse group companies are net settled and it is the Group's policy to offset assets and liabilities where applicable

k) Derivative financial instruments and hedging

All freestanding derivative contracts are carried at fair value in the balance sheet and are held for risk management purposes When derivative features embedded in certain contracts that meet the definition of a derivative are not considered clearly and closely related to the host instrument, the embedded feature will be accounted for separately at fair value with changes in fair value recorded in the income statement unless, where consistent with the provisions of IAS 39, the fair value option is elected in which case the entire instrument is to be recorded at fair value with changes recorded in the

2 Significant accounting policies (continued)

k) Derivative financial instruments and hedging (continued)

income statement Once separated, the derivative is recorded in the same line in the balance sheet as the host instrument

Where hedge accounting is applied, the Group formally documents all relationships between hedging instruments and hedged items, including the risk management objectives and strategy for undertaking hedge transactions At inception of a hedge and on an ongoing basis, the hedge relationship is formally assessed to determine whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items attributable to the hedged risk on both a retrospective and prospective basis The Group discontinues hedge accounting prospectively in the following circumstances

- It is determined that the derivative is no longer effective in offsetting changes in the fair value or cash flows of a hedged item (including forecasted transactions),
- The derivative expires or is sold, terminated, or exercised,
- The derivative is no longer designated as a hedging instrument because it is unlikely that the forecasted transaction will occur, or
- The Group otherwise determines that designation of the derivative as a hedging instrument is no longer appropriate

Hedge of a net investment

For hedges of a net investment in a foreign operation, the change in the fair value of the hedging derivative is recorded in the statement of changes in equity as 'Translation reserve' to the extent that the hedge is effective The change in fair value representing hedge ineffectiveness is transferred to the income statement through 'Net trading revenues' When the hedged part of a net investment is disposed of, the associated cumulative amount in equity is transferred to the income statement as an adjustment to the profit or loss on disposal

l) Classification of financial instruments

Financial assets and liabilities at fair value through profit or loss - designated at fair value

Financial assets and liabilities are classified as "at fair value through profit or loss - designated at fair value" when either

- the assets or liabilities are managed, evaluated and reported internally on a fair value basis,
- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise or,
- the asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market

Held-to-maturity ("HTM") assets

HTM assets are non derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity

2 Significant accounting policies (continued)

l) Classification of financial instruments (continued)

Available-for-sale ("AFS") assets

AFS assets are non derivative financial assets that are not designated as another category of financial asset

m) Recognition and derecognition

The Group recognises financial assets or liabilities on its balance sheet when it becomes a party to the contractual provisions of the instrument Regular way purchase or sale of financial assets/financial liabilities is recognised/derecognised using trade date accounting

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or the Group transfers substantially the risks and rewards of ownership of the financial asset The Group enters into transactions whereby it transfers assets recognised on the balance sheet but retains either substantially all risks and rewards of the transferred assets or a portion of them If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the balance sheet Transfers of assets with retention of all or substantially all risks and rewards include securities lending and repurchase transactions

A financial liability is removed from the balance sheet when the obligations specified in the contract are discharged or cancelled or expired

n) Measurement

Financial instruments are measured initially at fair value plus transaction costs (transaction costs are not included in initial measurement of financial asset/financial liability at fair value through profit and loss) that are directly attributable to the acquisition or issue of the financial instrument

Gains or losses arising from subsequent measurements of financial assets/liabilities classified as financial assets/financial liabilities at fair value through profit or loss are recognised in the income statement

Other than financial liabilities classified as at fair value through profit or loss, all other financial liabilities after initial recognition are recognised at amortised cost using the effective interest rate method

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment

o) Cash and cash equivalents

Cash and cash equivalents comprise the components of cash and due from banks that are short-term, highly liquid instruments with original maturities of three months or less, which are subject to an insignificant risk of changes in their fair value and that are primarily held for the purpose of cash management

2 Significant accounting policies (continued)

p) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity For items initially recognised in equity and subsequently recognised in the income statement, the related income tax initially recognised in equity is also subsequently recognised in the income statement

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years Current tax is calculated using tax rates enacted or substantially enacted at the balance sheet date

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base The principal temporary difference arises on the revaluation of certain financial assets and liabilities including derivative contracts and tax loss carryforwards The amount of deferred tax provided is based on the amount at which it is expected to recover or settle the carrying amount of assets and liabilities in the balance sheet, using tax rates enacted or substantively enacted at the balance sheet date

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 8

q) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation Cost represents expenditure that is directly attributable to the purchase of the asset Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the item can be measured reliably Depreciation on other assets is calculated using the straight line method to allocate the costs to their residual values over their estimated useful lives, as follows

Leasehold improvements	25% pa
Office equipment	25% pa
Motor vehicles	25% pa
Computer equipment	25% pa

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the income statement

r) Revenue

Revenue consists of management and other fees received and are recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity, the state of completion of the transaction at the balance sheet date can be measured reliably, and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably Document fee income is charged at the start of the loan and recognised using the effective interest rate method

2 Significant accounting policies (continued)

s) Interest income

Interest income includes interest on the Group's bank deposits and trade receivables recognised on an effective yield basis

Amounts due from lessees under hire purchase contracts are recorded as receivables at the amount of the Group's net investment in the contract Finance income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment (before tax) outstanding in respect of the contract Interest income continues to be recognised at the effective interest rate once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, irrespective of the terms of the loan and whether interest has been suspended on the customer's account This is referred to as the 'gross-up adjustment' to income and is offset by a corresponding 'gross-up adjustment' to the loan loss provisioning charge

t) Finance cost

Finance cost includes interest expense on the Group's short-term borrowing transactions, trade payables and bank interest recognised on an effective yield basis

u) Other income

Insurance and brokerage income

The Group offers payment protection ('PPP') and guaranteed asset protection ('GAP') insurance products to its customers for which a commission is received from third party fronting insurers Commission received from third party insurers for brokering the sale of GAP insurance products, for which the Group does not bear any underlying insurance risk, is recognised and credited to the income statement when the brokerage service has been provided Commission relating to PPP insurance products, for which the Group does not bear any underlying insurance risk, is recognised in line with the incidence of this risk

v) Contingent liabilities

Contingent liabilities are not recognised because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group A contingent liability is not recognised as a liability but only disclosed However, provisions are recognised (assuming that a reliable estimate can be made) if they are current obligations and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations

w) Critical accounting estimates, and judgements in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

Fair value

Fair value of financial instruments is based on their quoted price in an active market (including recent market transactions) at balance sheet date without any deduction for transaction cost If a quoted market price is not available, the fair value of the instrument is estimated using valuation techniques Valuation techniques include recent arm's length prices, comparison to similar instruments for which market observable prices exist, valuation models or discounted cash flow techniques

2 Significant accounting policies (continued)

w) Critical accounting estimates, and judgements in applying accounting policies (continued)

The best evidence of fair value of a financial instrument at initial recognition is the transaction price unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the same instrument (i e without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets

Where the input parameters cannot be validated using observable market data, reserves are established for unrealised gains or losses evident at the inception of the contracts so that no gain or loss is recorded at inception Such reserves are amortised to income over the life of the instrument or released into income when observable market data becomes available

For subsequent measurement of financial assets or financial liabilities at fair value through profit or loss, the Group fair values such assets/liabilities using bid or offer rates

Litigation contingencies

A contingency is an existing condition that involves a degree of uncertainty that will ultimately be resolved upon the occurrence of future events From time to time, the Group and its subsidiaries are involved in a variety of legal, regulatory and arbitration matters in connection with the conduct of our businesses It is inherently difficult to predict the outcome of many of these matters, particularly those cases in which the matters are brought on behalf of various classes of claimants, seek damages of unspecified or indeterminate amounts or involve novel legal claims

In presenting our consolidated financial statements, management makes estimates regarding the outcome of legal, regulatory and arbitration matters and takes a charge to income when losses with respect to such matters are probable and can be reasonably estimated Charges, other than those taken periodically for costs of defence, are not established for matters when losses cannot be reasonably estimated

Estimates, by their nature, are based on judgement and currently available information and involve a variety of factors, including but not limited to the type and nature of the litigation, claim or proceeding, the progress of the matter, the advice of legal counsel and other advisers, our defences and our experience in similar cases or proceedings According to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a provision shall be recognised when (a) an entity has a present obligation (legal or constructive) as a result of a past event, (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (c) a reliable estimate can be made of the amount of the obligation

Income taxes

Deferred tax valuation

Deferred tax assets and liabilities are recognised to reflect the estimated amounts of income tax recoverable/payable in future periods in respect of temporary differences and unused carry forward of tax losses and credits For temporary differences, a deferred tax asset is recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised Similarly, a deferred tax asset is recognised on unused carry forward tax losses and credits to the extent that it is probable that future taxable profits will be available against which the unused carry forward tax losses and credits can be utilised

Periodically, management evaluates the probability that taxable profits will be available against which the deductible temporary differences and unused carry forward tax losses and credits can be utilised Within this evaluation process, management also considers tax-planning strategies The evaluation process requires significant management judgement, primarily with respect to projecting future taxable profits

2 Significant accounting policies (continued)

w) Critical accounting estimates, and judgements in applying accounting policies (continued)

Tax contingencies

Significant judgment is required in determining the effective tax rate and in evaluating certain tax positions The Group may accrue for tax contingencies despite the belief that positions taken in tax returns are always fully supportable Tax contingency accruals are adjusted due to changing facts and circumstances, such as case law, progress of audits or when an event occurs requiring a change to the tax contingency accruals Management regularly assesses the appropriateness of provisions for income taxes Management believes that it has appropriately accrued for any contingent tax liabilities

Artwork

The Group holds artwork, which has been valued based on directors' best estimates As the value of the remaining items is indeterminate, their value has been deemed to be nil, with any proceeds received for these items representing a profit on sale of non-current assets

Loan loss allowance

The Group reviews its loans and receivables on an on-going basis to assess the level of impairment Future cash flows are estimated on the basis of the contractual cash flows of the assets and historical loss experience Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently

3 Interest income

	Group	
	2010	**2009**
	US$'000	**US$'000**
Interest income on hire purchase agreements	7,658	15,450
Interest income on money market deposits	125,614	205,234
Other interest income	-	16
Total interest and dividend income	**133,272**	**220,700**

4 Finance cost

	Group	
	2010	**2009**
	US$'000	**US$'000**
Interest expense on related party balances	131,064	214,865
Other interest expense	-	3
Total finance cost	**131,064**	**214,868**

All finance cost relates to financial liabilities that are not recognised at fair value through profit or loss

5 Gain on financial instruments

	Group	
	2010	2009
	US$'000	US$'000
Gain on derivatives	1,278	10,197
Total gain on financial instruments	**1,278**	**10,197**

6 Other income

	Group	
	2010	2009
	US$'000	US$'000
Foreign exchange gains	3,518	-
Document fee	769	1,755
Insurance income	255	465
Miscellaneous other revenue	81	31
Total other income	**4,623**	**2,251**

7 Administrative and other expenses

	Group	
	2010	2009
	US$'000	US$'000
Audit fees payable to the auditors	148	153
Bad debt expense	4,175	8,945
Dealer commission	1,980	3,843
Legal and professional fees	101	332
Credit assessment cost	44	121
General office expenses	4,734	6,490
Total administrative expenses	**11,182**	**19,884**
Foreign exchange losses	-	745
Administrative salaries	-	1,093
Miscellaneous other expenses	-	4
Total other expenses	**-**	**1,842**

Audit fees payable of US$ 14,000 (2009 US$15,000) was incurred by the Company for the year

8 Income tax

	Group	
	2010	2009
Current tax	**US$'000**	**US$'000**
Current tax on loss for the year	64	(3,283)
Adjustments in respect of previous periods	1,324	(27,749)
Total current tax	**1,388**	**(31,032)**
Deferred Tax		
Origination and reversal of temporary differences	6,374	4,301
Adjustments in respect of previous periods	(4,614)	(1,837)
Effect on deferred tax resulting from changes to tax rates	2,751	-
Effect of exchange rate movements	-	(15,387)
Total deferred tax	**4,511**	**(12,923)**
Income tax expense/(benefit)	**5,899**	**(43,955)**

The income tax charge for the year can be reconciled to the loss per the income statement as follows

	Group	
	2010	2009
	US$'000	**US$'000**
Loss before tax	**(11,884)**	**(10,456)**
Loss before tax multiplied by the UK statutory rate of corporation tax at the rate of 28% (2009 28%)	(3,327)	(2,927)
Tax effect of expenses that are non-deductible in determining taxable profit	-	47
Other non-taxable income	(466)	-
Other permanent differences	3,534	2,128
Adjustments to current tax in respect of previous periods	1,324	(27,749)
Adjustments to deferred tax in respect of previous periods	(4,614)	(1,837)
Group relief claimed for nil consideration	(19,460)	(39,467)
Effect on deferred tax resulting from changes to tax rates	2,751	-
Deferred tax not recognised in the period	26,157	41,237
Effect of exchange rate movements	-	(15,387)
Income tax expense/ (benefit)	**5,899**	**(43,955)**

The deferred tax balance as at 31 December 2010 has been calculated using a tax rate of 27% (2009 28%) being the tax rate which was enacted at the balance sheet date

	Group	
	2010	2009
	US$'000	**US$'000**
Deferred tax liabilities	(58)	(71)
Deferred tax assets	75,161	79,685
Net position	**75,103**	**79,614**

8 Income tax (continued)

The movement for the year on the deferred tax position was as follows

	Group	
	2010	**2009**
	US$'000	**US$'000**
As at 1 January	79,614	66,691
Charge to income for the year	(6,374)	(4,301)
Adjustments in respect of previous periods	4,614	1,837
Effect on deferred tax resulting from changes to tax rates	(2,751)	-
Exchange differences	-	15,387
At 31 December	**75,103**	**79,614**

Deferred tax assets and liabilities of the Group are attributable to the following items

	Group	
	2010	**2009**
	US$'000	**US$'000**
Deferred tax liabilities		
Other short term temporary differences	(58)	(71)
At end of year	**(58)**	**(71)**
Deferred tax assets		
Financial instruments	16,002	14,871
Tax loss carry forwards	59,159	64,814
At end of year	**75,161**	**79,685**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority

The extent to which deferred tax assets can be recognised is dependent upon the availability of future taxable profits at the time the existing deductible temporary differences reverse The analysis of the deferred tax assets is shown above The total amount of deferred tax assets of $75,161,000 (2009 $79,685,000) is considered recoverable as the Group is expected to receive the benefit of any reversal of the deductible temporary differences, either against future taxable profits or by surrendering tax losses as group relief The Group will receive full consideration for any group relief surrendered

Deferred taxes not recognised

Deferred tax assets are recognised on deductible temporary differences and tax loss carry forwards only to the extent that realisation of the related tax benefit is probable A deferred tax asset has not been recognised on tax loss carry forwards of $604,408,000 (2009 $532,897,000), capital losses of $1,027,700,000 (2009 $1,052,615,000) and short term temporary differences of $3,741,000 (2009 $5,140,000) The benefit of the tax losses has not been recognised in these financial statements due to the uncertainty of their recoverability The losses carried forward have no expiry date

8 Income tax (continued)

The UK corporation tax rate reduced to 26% with effect from 1 April 2011 and will reduce to 25% with effect from 1 April 2012 These rate reductions were substantially enacted on the 29 March 2011 and 4 July 2011 respectively Royal Assent was granted on 19 July 2011 The impact of these changes will be to decrease the deferred tax asset recorded as at 31 December 2010 by $5,565,000

9 Property, plant and equipment

	Computer Equipment US$ '000	Office Equipment US$ '000	Motor Vehicles US$ '000	Leasehold Improvements US$ '000	Total US$ '000
Cost					
Cost as at 1 January 2009	592	151	20	162	925
Additions	5	-	-	-	5
Disposals	(645)	(167)	(22)	(175)	(1,009)
Other movements	48	16	2	13	79
Cost as at 31 December 2009	-	-	-	-	-
Cost as at 1 January 2010	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Other movements	-	-	-	-	-
Cost as at 31 December 2010	-	-	-	-	-
Depreciation					
Depreciation as at 1 January 2009	306	100	7	143	556
Charge for the year	11	2	-	2	15
Disposals	(344)	(110)	(9)	(158)	(621)
Other movements	27	8	2	13	50
Depreciation as at 31 December 2009	-	-	-	-	-
Depreciation as at 1 January 2010	-	-	-	-	-
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Other movements	-	-	-	-	-
Depreciation as at 31 December 2010	-	-	-	-	-
Net book value					
Net book value as at December 31, 2010	-	-	-	-	-
Net book value as at December 31, 2009	-	-	-	-	-

10 Loans and receivables

	Group	
	2010	**2009**
	US$'000	**US$'000**
Customer loans and receivables	30,574	69,202
Total loans and receivables	**30,574**	**69,202**

Customer loans and receivables refer to the hire purchase contracts The contractual maturity of the Group's loans and receivables is set out in the table below

	Group	
	2010	**2009**
	US$'000	**US$'000**
Current		
Within one year	17,646	25,932
One to two years	10,061	25,075
Two to three years	2,867	14,273
Three to four years	-	3,922
Total non-current	12,928	43,270
Total loans and receivables	**30,574**	**69,202**

The effective interest rate on loans and receivable was 11 8% (2009 13 8%) and the average maturity was 11 months (2009 17 months)

11 Investment in subsidiaries

	Company	
	2010	**2009**
	US$'000	**US$'000**
As at 1 January	11,347,226	11,347,226
As at 31 December	**11,347,226**	**11,347,226**

Subsidiary	**Activity**	**% holding**
DLJ International Group Limited	Investment holding company	100
Credit Suisse BG Strategy Investments (UK)	Investment holding company	100
Donaldson, Lufkin & Jenrette International	Investment holding company	Indirect
DLJ Group	Investment holding company	Indirect
DLJ Investment Partner II Limited	Limited partner in limited partnership	Indirect
DLJ UK Holding	Investment company	Indirect
DLJIS Holdings Limited	Investment holding company	Indirect
Park Acquisitions Limited	Investment holding company	Indirect
Park Finance Holdings Limited	Investment holding company	Indirect
Park Motor Finance Limited	Provision of conditional sale finance	Indirect
Gateway Credit Limited	Provision of conditional sale finance	Indirect
Park Personal Loans Limited	Provision of personal loans	Indirect

All the above subsidiaries are included in the consolidated group

11 Investment in subsidiaries (continued)

On 24 March 2010, Donaldson Lufkin & Jenrette International reduced its share capital by cancelling 1,566,320,465 Class A ordinary shares of US$0 50 each and 5,896,976 Class B preference shares of US$0 50 each and returned the share capital to its parent company DLJ International Group Limited On the same day, it transferred the entire equity interest of one Ordinary Share of US$1 of its subsidiary DLJIS Holdings Limited to DLJ International Group Limited

On 22 April 2010, the DLJ Group increased its authorised USD share capital by the creation of 100,000,000 ordinary USD B shares of US$1 00 each with no voting right attached Subsequently, on 27 April 2010, it issued 368,966,893 ordinary USD B shares fully paid at US$1 00 each to Credit Suisse Shimada Investments (Gibraltar)

On 22 December 2009, LG/SL (Property Management) was renamed as Credit Suisse BG Strategy Investments (UK)

The issued share capital of the above undertakings, incorporated in England and Wales, is wholly owned by the Company (unless otherwise indicated)

The Company is a subsidiary undertaking of Credit Suisse AG which is incorporated in Switzerland The ultimate holding company is Credit Suisse Group AG which is incorporated in Switzerland

Copies of group financial statements of the parent undertaking and of the ultimate holding company, which are those of the smallest and largest groups in which the results of the Company are consolidated, are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UX and Credit Suisse Group, Paradeplatz, P O Box 1, 8070 Zurich, respectively

12 Other investments

	Group	
	2010	**2009**
	US$'000	**US$'000**
As at 1 January	4,714	4,720
Investment in Crosshill Finance Limited	1,843	-
Impairment during the year	(1,664)	-
Disposal of investments	-	(6)
Total other investments	**4,893**	**4,714**

In April 2010, DLJ International Group Limited contributed US$1,842,716 (GBP1,210,680) for 10% share in the capital of a third party entity Crosshill Finance Limited On 1 August 2010, US$1,663,280(GBP1,094,065) of this investment was reduced on account of impairment Further, 0 01% of the remaining investment was disposed off in November 2010 for US$179 Accordingly, DLJ International Group Limited currently holds 9 99% of the share capital in the entity with a carrying value of US$179,257 as at the year end

In 2009, DLJ Investment Partner II Limited disposed of investments in partnerships aggregating US$6,000 On 16 April, 2007, Phoenix Equity Partners II, Phoenix Equity Partners II "A" and Phoenix Equity Partner II "B" completed 10 years of tenure, which was extended for another 2 years On 15 April, 2009, the above mentioned funds were closed Due to the closure, DLJ Investment Partner II Limited received GBP 15,449 (US$25,499)

12 Other investments (continued)

The Group's subsidiary, DLJ International Group Limited, has a 17% holding (2009 17%) of Class B and Class C shares (0% of Class A shares) of DLJ Managed Plans Corporation

As a Class B and Class C shareholder of the Plan, DLJ International Group Limited is entitled to the following rights

- 17% (2009 17%) of the voting rights of the Plan,
- The right to appoint 1 (2009 1) of the 5 directors of the Plan,
- Fixed dividend rights based on any profits (but not losses) of the Plan, and
- Preferential rights to the net assets of the Plan on liquidation over the Class A shareholders

13 Investment in associate

	Group	
	2010	**2009**
	US$'000	**US$'000**
Credit Suisse Shimada Investments (Gibraltar)	2,899,379	2,527,450
Total investment in associates	**2,899,379**	**2,527,450**

As a Class B shareholder of Credit Suisse Shimada Investments (Gibraltar), DLJ International Group Limited is entitled to 30% of all the votes available to be exercised, holding 90 1% of the capital The Class A shareholder is entitled to the remaining 70% voting interest and has control over the financial and operating policies, and decision making capabilities

The Group's share of loss (net of income tax) of Credit Suisse Shimada Investments (Gibraltar) during the year was US$ 7,259,000 (2009 loss (net of income tax) of US$7,235,000)

Summary of financial information for equity accounted method for associates entities, not adjusted for the percentage ownership held by the Group

	2010	**2009**
	US$'000	**US$'000**
Assets and liabilities		
Total assets	3,241,929	2,823,367
Total liabilities	23,575	17,862
Results		
Loss after taxation	(8,058)	(8,031)

14 Inventories

	Group	
	2010	**2009**
	US$'000	**US$'000**
Repossessed vehicles held for sale at auction	87	260
Total inventories	**87**	**260**

15 Trade and other receivables

	Group		Company	
	2010	2009	2010	2009
Non-current	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Receivables from related companies	9,028,277	9,028,277	-	-
Total trade and other receivables (non-current)	**9,028,277**	**9,028,277**	**-**	**-**
Current				
Receivables from related companies	2,440,167	2,398,480	33,007	33,234
Group relief receivables	35	2,280	493	493
Prepayments	1,109	3,288	-	-
Accrued interest receivable from related companies	281	111	1	-
Other debtors	68	23	-	-
Total trade and other receivables (current)	**2,441,660**	**2,404,182**	**33,501**	**33,727**

The carrying value of trade and other receivables approximates fair value due to the short-term nature of these assets

The interest bearing balances pertained to the money market deposits, their balances, effective interest rate and average maturity are as follows

	Group Balances	Effective interest rates	Average Maturity
2010			
USD money market deposits	US$ 11,468,114,000	1 09%	294 days
2009			
USD money market deposits	US$ 11,424,038,000	1 73%	297 days

The rest of the receivables are non interest bearing and repayable on demand

16 Derivatives and hedging activities

The following table sets forth details of trading and hedging derivatives instruments

31 December 2010	**Trading**		
	Notional amount US$'000	Positive replacement value US$'000	Negative replacement value US$'000
Interest rate swap	13,630	-	451
Total derivative instruments	**13,630**	**-**	**451**

16 Derivatives and hedging activities (Continued)

The following table sets forth details of trading and hedging derivatives instruments

31 December 2009	Trading		
	Notional amount US$'000	Positive replacement value US$'000	Negative replacement value US$'000
Cross currency swap	388,639	16,130	-
Interest rate swap	42,817	-	1,677
Total derivative instruments	**431,456**	**16,130**	**1,677**

The currency exposure, contractual repricing and maturity on the derivative instruments are as follows

31 December 2010	Notional amount '000	Maturity	Contractual repricing period (if applicable)
Interest rate swap	GBP 8,791	5 April 2012	1M GBP Libor

31 December 2009	Notional amount '000	Maturity	Contractual repricing period (if applicable)
Cross currency swap	JPY 34,332,369	19 January 2010	1M JPY Libor - BBA
Interest rate swap	GBP 26,556	5 June 2012	1M GBP Libor

17 Cash and cash equivalents

	Group		Company	
	2010	**2009**	**2010**	**2009**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Cash at bank	4,014	5,978	16	27
Short term money market deposits	345,272	-	1,000	-
Total cash and cash equivalents	**349,286**	**5,978**	**1,016**	**27**

The fair value of cash and cash equivalents equals book value

18 Tax receivable

	Group	
	2010	**2009**
	US$'000	**US$'000**
Tax receivable	130	-
Total tax receivable	**130**	**-**

19 Borrowings

	Group		Company	
	2010	2009	2010	2009
	US$'000	US$'000	US$'000	US$'000
Non-current				
Amounts owed to related companies	9,028,277	10,995,929	9,028,277	10,995,929
Total borrowings (non-current)	**9,028,277**	**10,995,929**	**9,028,277**	**10,995,929**
Current				
Amounts owed to related companies	2,019,992	80,253	1,978,055	-
Interest accrued on amounts owed to related companies	17	268	-	-
Total borrowings (current)	**2,020,009**	**80,521**	**1,978,055**	**-**

The effective interest rate and contractual repricing period for the USD and GBP loans are as follows

	Group Balances '000	Effective interest rates	Contractual repricing period (if applicable)
2010			
USD loans	US$ 1,978,055	0 57%	Every month
USD loans	US$ 9,028,277	0 78%	Every 12 months
GBP loans	GBP 27,059	0 56%	Every month
2009			
USD loans	US$ 1,967,652	0 20%	Every month
USD loans	US$ 9,028,277	1 25%	Every 6 months
GBP loans	GBP 50,385	0 52%	Every month

The carrying value approximates the fair value of borrowings

20 Bank overdrafts

	Group		Company	
	2010	2009	2010	2009
	US$'000	US$'000	US$'000	US$'000
Bank overdrafts	1,040	331	1,021	298
Total bank overdrafts	**1,040**	**331**	**1,021**	**298**

The fair value of bank overdraft equals book value All bank overdrafts are repayable on demand

21 Trade and other payables

	Group		Company	
	2010	**2009**	**2010**	**2009**
Non-current	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Accrued expenses	310	510	-	-
Total trade and other payables (non-current)	**310**	**510**	**-**	**-**
Current				
Payables to related companies	982,146	987,820	463,671	460,136
Group relief payable	-	-	-	-
Accrued interest payable to related companies	1,165	829	1,146	816
Accrued expenses	878	805	14	34
Total trade and other payables (current)	**984,189**	**989,454**	**464,831**	**460,986**

The carrying value of trade and other payables approximates the fair value due to the short-term nature of these liabilities

The interest bearing balances pertaining to the money market borrowings, their balances, effective interest rate and average maturity are as follows

	Group Balances	**Effective interest rates**	**Average Maturity**
2010			
USD money market borrowings	US$982,126,000	0 50%	21 days
2009			
USD money market borrowings	US$987,870,000	0 46%	29 days

The rest of the payables are non interest bearing and repayable on demand

22 Tax payables

	Group	
	2010	**2009**
	US$'000	**US$'000**
Tax payables	-	2,792
Total tax payables	**-**	**2,792**

23 Share capital

	Group and Company	
	2010	**2009**
	US$'000	**US$'000**
Authorised		
Equity		
500,000,000 Ordinary Shares of US$1 each	500,000	500,000
Allotted, called up and fully paid		
115,978,421 Ordinary Shares of US$1 each	115,978	115,978

23 Share capital (continued)

The holders of ordinary shares have voting rights and the right to receive dividends

No share capital was issued during the year (2009 US$Nil)

Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses

The Company funds its operations and growth through equity This include assessing the need to raise additional equity where required

The Company is not subject to externally imposed capital requirements

There were no changes in the Company's approach to capital management during the year

24 Other reserves

Translation reserve

The translation reserve represents exchange differences arising from the translation of the financial statements of its subsidiaries and associates whose functional currency is different from that of the Group's presentation currency

	Group and Company	
	2010	**2009**
	US$'000	**US$'000**
At 1 January	550,531	645,085
Net effect of exchange differences arising from translation of financial statements of its subsidiaries and associates	379,335	(94,554)
At 31 December	**929,866**	**550,531**

Capital reserve

In 2008, US$221,807,000 was transferred to capital reserve The Group recognised a capital reserve of US$230,932,000 which represents the net gain on deemed disposal of the net assets of DLJ Group (US$238,840,000 gain) and DLJ Investment Partner II Limited (US$7,908,000 loss) resulting from the additional issuance of shares by DLJ Group to a related party Also, the Group recognised a negative capital reserve of US$9,125,000 representing the excess of cost of acquisition over the net assets acquired from minority interest of Park Acquisitions Limited amounting to US$8,191,000 and excess of net assets acquired over the cost of investment in Credit Suisse BG Strategy Investments (UK), formerly known as LG/SL (Property Management) amounting to US$934,000

25 Related party transactions

The Company is wholly owned by Credit Suisse AG, incorporated in Switzerland The ultimate parent of the Company is Credit Suisse Group AG, which is incorporated in Switzerland

The Group is involved in significant financing and other transactions, and has significant related party balances, with subsidiaries and affiliates of Credit Suisse Group AG The Group generally enters into these transactions in the ordinary course of business and these transactions are on market terms that could be obtained from unrelated parties

a) Group related party assets and liabilities

	Group				
	2010			2009	
	Parent	**Fellow group companies**	**Associates**	**Fellow group companies**	**Associates**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**
ASSETS					
Non-current assets					
Other investments	-	4,714	-	4,714	-
Investment in associate	-	-	2,899,379	-	2,527,450
Trade and other receivables	9,028,277	-	-	9,028,277	-
	9,028,277	4,714	2,899,379	9,032,991	2,527,450
Current assets					
Trade and other receivables	2,440,314	166	-	2,398,614	-
Group relief receivables	-	35	-	2,280	-
Derivative financial instruments	-	-	-	16,130	-
Cash and cash equivalents	345,735	-	-	936	-
	2,786,049	201	-	2,417,960	-
Total related party assets	11,814,326	4,915	2,899,379	11,450,951	2,527,450
LIABILITIES					
Non-current liabilities					
Borrowings	9,028,277	-	-	10,995,929	-
	9,028,277	-	-	10,995,929	-
Current liabilities					
Bank overdraft	1,040	-	-	313	-
Trade and other payables	983,309	2	-	988,649	-
Group relief payables	-	-	-	-	-
Derivative financial instruments	-	451	-	1,677	-
Borrowings	2,020,009	-	-	80,521	-
	3,004,358	453	-	1,071,160	-
Total related party liabilities	12,032,635	453	-	12,067,089	-

25 Related party transactions (continued)

b) Company related party assets and liabilities

	Company				
	2010			2009	
	Parent	Fellow group companies	Subsidiaries	Fellow group companies	Subsidiaries
	US$'000	US$'000	US$'000	US$'000	US$'000
ASSETS					
Non-current assets					
Investment in subsidiaries	-	-	11,347,226	-	11,347,226
	-	-	11,347,226	-	11,347,226
Current assets					
Receivables from related companies	33,008	-	-	33,234	-
Group relief receivable	-	493	-	493	-
Cash and cash equivalents	1,016	-	-	27	-
	34,024	493	-	33,754	-
Total related party assets	34,024	493	11,347,226	33,754	11,347,226
LIABILITIES					
Current liabilities					
Bank overdraft	1,021	-	-	298	-
Borrowings	1,978,055	-	-	-	-
Trade and other payables	464,817	-	-	460,952	-
	2,443,893	-	-	461,250	-
Non-current liabilities					
Borrowings	9,028,277	-	-	10,995,929	-
	9,028,277	-	-	10,995,929	-
Total related party liabilities	11,472,170	-	-	11,457,179	-

c) Group related party revenues and expenses

	2010			2009	
	Parent	Fellow group companies	Associates	Fellow group companies	Associates
	US$'000	US$'000	US$'000	US$'000	US$'000
Interest income	125,614	-	-	205,250	-
Finance cost	(131,064)	-	-	(214,865)	-
Administrative expenses	-	-	(311)	-	(290)
Gain on derivative instruments	-	1,278	-	10,197	-
Other income	-	-	-	8	-
Share of (loss) of equity accounted investee (net of income tax)	-		(7,259)	-	(7,235)
Total net related party expenses	(5,450)	1,278	(7,570)	590	(7,525)

25 Related party transactions (continued)

d) Company related party revenues and expenses

	2010			2009	
	Parent	Fellow group companies	Subsidiaries	Fellow group companies	Subsidiaries
	US$'000	US$'000	US$'000	US$'000	US$'000
Interest income	66	-	-	59	-
Dividend income	-	-	113,964	-	345,406
Finance costs	(127,920)	-	-	(208,823)	-
Administrative expenses	-	(311)	-	(290)	-
Total net related party expenses	(127,854)	(311)	113,964	(209,054)	345,406

e) Remuneration of directors and key management personnel

The directors and key management personnel did not receive any remuneration in respect of their services as directors of the Company (2009 US$ Nil) The directors and key management personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these directors and key management personnel

All directors benefited from qualifying third party indemnity provisions

f) Loans and advances to directors and key management personnel

There were no loans or advances made to directors or key management personnel during the period (2009 US$Nil)

g) Liabilities due to pension funds

The Group does not have any liabilities with regard to pension funds

26 Employees benefits

The average number of persons employed during the year was Nil (2009 8)

The Group receives a range of administrative services from related companies within the Credit Suisse group The headcount related to these services cannot be accurately ascertained and is not therefore included in the above numbers

The Group's employment costs are as follows

	Group	
	2010	2009
	US$'000	US$'000
Wages and salaries	-	956
Social security costs	-	100
Pension contributions	-	37
	-	1,093

27 Financial risk management

The Group's activities expose it to a variety of financial risks market risk (including foreign exchange risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance

Risk management is carried out by the Group treasury department of Credit Suisse under policies approved by its Board of Directors Group Treasury identifies, evaluates and hedges financial risks The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investing excess liquidity

Foreign exchange risk

Foreign exchange risk arises when future transactions, recognised assets and liabilities are denominated in a currency that is not the Company's and the subsidiaries' functional currency Foreign currency translation risk is not included Credit Suisse Group Treasury is responsible for managing the net position in each foreign currency by using external forward currency contracts

The Group operates internationally and is exposed to currency risk arising from various currency exposures

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's and the subsidiary's functional currency Foreign exchange translation risk is not included Credit Suisse Group Treasury is responsible for managing the net position in each foreign currency by, using external forward currency contracts or other suitable contracts

The Group had the following assets and liabilities denominated in currencies other than US$ In 2010 the majority of these assets and liabilities are denominated in GBP and JPY (2009 GBP and JPY)

	GBP '000	EUR '000	JPY '000	ZAR '000
2010				
Assets				
Loans and receivables	19,719	-	-	-
Inventories	56	-	-	-
Trade and other receivables	831	-	-	-
Tax receivable	84	-	-	-
Cash and cash equivalents	2,335	12	1,366	1
Total	**23,025**	**12**	**1,366**	**1**
Liabilities				
Borrowings	27,059	-	-	
Trade and other payables	745	-	1,288	1
Derivative financial instruments	291	-	-	-
Bank Overdraft	14	-	27	-
Total	**28,109**	**-**	**1,315**	**1**

27 Financial risk management (continued)

Foreign exchange risk (continued)

	GBP '000	EUR '000	JPY '000	ZAR '000
2009				
Assets				
Loans and receivables	43,447	-	-	-
Inventories	163	-	-	-
Trade and other receivables	3,918	-	-	-
Cash and cash equivalents	3,292	12	-	1
Derivative financial instruments	-	-	(34,332,756)	-
Total	**50,820**	**12**	**(34,332,756)**	**1**
Liabilities				
Borrowings	50,553	-	-	-
Trade and other payables	2,524	-	-	-
Derivative financial instruments	1,053	-	-	-
Bank Overdraft	13	-	27,124	-
Total	**54,143**	**-**	**27,124**	**-**

Note In 2009, the balances include the replacement value of the JPY pay leg of the cross currency swap, settlement will be netted against the USD receive leg

Credit risk

The Group is exposed to credit risk from other Credit Suisse group companies and external counterparties Cash transactions are limited to fellow group companies and high-credit-quality financial institutions The Group has policies that limit the amount of credit exposure to any financial institution

The Group has policies in place to ensure that provision of services is made only to customers with an appropriate credit history These include a credit request and approval process, ongoing credit and counterparty monitoring and a credit quality review process

Group credit committees and senior credit managers make credit decisions on a transaction-by-transaction basis, determined by levels appropriate to the amount and complexity of the transactions, and based on the overall exposures to counterparties and their related parties

The Group take on exposure to credit risk in respect of loans and receivables and cash equivalents To mitigate the credit risk of the loans and receivables, at the time a loan is approved, management obtained appropriate evidence that direct repayment customers are all in employment, have bank accounts and have a direct debit facility in place All applications for direct repayment credit are initially screened centrally using a score card, which has been developed over many years in conjunction with a leading credit reference agency and ensures consistency of underwriting decisions Applications which successfully pass this screening are then subject to a rigorous pre-lending process, including the verification of information provided by potential customers and an assessment of other financial commitments which the applicant may have, in order to confirm that the loan is both appropriate and affordable The Group only deposits cash with reputable banks of good credit rating The Group monitors these banks for any changes to their credit rating

27 Financial risk management (continued)

Credit risk (continued)

Maximum exposure to credit risk before collateral held or other credit enhancements

The maximum exposure to credit risk is set out in the table below

	Group	
	2010	**2009**
	US$'000	**US$'000**
Loans and receivables	30,574	69,202
Trade and other receivables	11,469,937	11,432,459
	11,500,511	**11,501,661**

Credit quality

A summary of the arrears status of the Group's loans and receivables by class is shown below as at 31 December 2010 and 2009

	Group	
	2010	**2009**
	US$'000	**US$'000**
Performing	19,573	50,660
Past due but not impaired	4,743	10,055
Impaired	6,258	8,487
	30,574	**69,202**

Loans and receivables – past due but not impaired

	Group	
	2010	**2009**
	US$'000	**US$'000**
Past due up to 29 days	1,198	4,606
Past due 30-59 days	2,020	3,682
Past due 60-89 days	1,525	1,767
	4,743	**10,055**

27 Financial risk management (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to meet obligations as they fall due

The following table sets out details of the remaining contractual maturity for financial liabilities

	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Group 2010						
Borrowings	41,954	1,978,055	-	9,028,277	-	11,048,286
Trade and other payables	780	983,409	-	310	-	984,499
Bank overdraft	1,040	-	-	-	-	1,040
Derivative financial instruments	451	-	-	-	-	451
Total financial liabilities	**44,225**	**2,961,464**	**-**	**9,028,587**	**-**	**12,034,276**

	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Group 2009						
Borrowings	-	80,521	-	10,995,929	-	11,076,450
Trade and other payables	916	988,538	-	510	-	989,964
Bank overdraft	331	-	-	-	-	331
Derivative financial instruments	1,677	-	-	-	-	1,677
Tax payables	2,792	-	-	-	-	2,792
Total financial liabilities	**5,716**	**1,069,059**	**-**	**10,996,439**	**-**	**12,071,214**

The balances in the above table will not agree directly to the balances in the Group balance sheet as the table generally incorporates all cash flows, related to principal as well as those associated with all future coupon payments Trading liabilities have been classified as being 'on demand' at fair value

27 Financial risk management (continued)

Interest rate risk

The Company and Group have interest bearing assets and liabilities which exposes the Company and Group to interest rate risk

The Company's interest rate risk arises from borrowings The Group's interest rate risk arises from short-term bank deposits and from borrowings Deposits that are placed at variable rates expose the Group to cash flow interest rate risk Deposits at fixed rates expose the Group to fair value interest rate risk

The Group's other expenses and operating cash flows are substantially independent of changes in market interest rates

Corporate asset and liability management

The Group Treasury department at Credit Suisse also oversees corporate policy with respect to interest rate and foreign exchange exposure, as well as a range of other important policy areas including debt maturity profile, internal and external capitalisation and intercompany funding Credit Suisse minimises interest rate and foreign currency exposures from a corporate perspective Business divisions are authorised to take such risks as part of their business strategies, within limits set by the Capital Allocation and Risk Management Committee ("CARMC")

28 Fair values of financial assets and liabilities

Financial instruments comprise financial assets and financial liabilities The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale The information presented herein represents estimates of fair values as at the statement of financial position date

Quoted and observable market prices, where available, are used as the measure of fair values In cases where quoted and observable market prices are not available, various methodologies have been used to estimate what the approximate fair values of such instruments might be These methodologies involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash lows and other factors Changes in the uncertainties and assumptions could significantly affect these estimates and the resulting fair value estimates

The table below analyses financial instruments carried at fair value, by valuation method The different levels have been defined as follows

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has the ability to access This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i e prices) or indirectly (i e derived from prices)

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group records net open positions at bid prices if long, or at ask prices if short, unless the Group is a market maker in such positions, in which case mid-pricing is utilised Fair value measurements are not adjusted for transaction costs

28 Fair values of financial assets and liabilities (continued)

The levels in the fair value hierarchy in which fair value measurements are categorised for assets and liabilities measured in the statement of financial position are as follows

As at 31 December 2010 USD'000	2010	Level 1	Level 2	Level 3
Financial liabilities at fair value through profit or loss				
Derivative financial instruments	451	-	451	-
Total liabilities at fair value	**451**	**-**	**451**	**-**

As at 31 December 2009 USD'000	2009	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Derivative financial instruments	16,130	-	16,130	-
Total assets at fair value	**16,130**	**-**	**16,130**	**-**
Financial liabilities at fair value through profit or loss				
Derivative financial instruments	1,677	-	1,677	-
Total liabilities at fair value	**1,677**	**-**	**1,677**	**-**

29 Subsequent events

There were no subsequent events that require disclosure as at the date of this report