

**MONEY PARTNERS HOLDINGS LIMITED**

**Directors' Report and Financial Statements**

**Period ended 31 December 2009**



**REPORT OF THE DIRECTORS**

The directors present their annual report and the audited financial statements for the 13 month period ended 31 December 2009

**PRINCIPAL ACTIVITY**

The company acts as a holding company for, and provides management services to, its subsidiary companies

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The company has changed its accounting reference date to 31 December to be consistent with the group's year end which was changed to 31 December 2009 and as such these financial statements have been prepared for an extended accounting period of 13 months from 1 December 2008 to 31 December 2009

The results for the period are shown in the profit and loss account on page 5 The loss after taxation is £1,036,000 (2008 £13,320,000)

As a company providing management services to subsidiaries operating in the UK mortgage market, our business has been materially affected by the financial markets and general economic conditions The company's subsidiary undertakings have suspended their principal business activity and the directors do not anticipate this activity will be recommenced

During the period Money Partners Mortgages Limited and Residential One Limited were dissolved Both companies were wholly owned Following the period end Money Partners Loans Limited was dissolved

The directors consider that the period end financial position of the company was satisfactory No significant change other than noted above in the company's principal business activity is expected

**POST BALANCE SHEET EVENTS**

Subsequent to the period end the company issued 90,000 of redeemable shares of £1 each to its immediate parent undertaking for a total consideration of £90,000

**PRINCIPAL RISKS AND UNCERTAINTIES**

*Risk management*

The company is exposed to financial risk through its financial assets and liabilities Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the most important components of financial risk the directors consider relevant to the entity are credit risk and liquidity risk The company, as part of a global group, adheres to global risk management policies and procedures

**DIVIDENDS**

The directors do not recommend the payment of an ordinary dividend in respect of the period (12 month period ended 30 November 2008 £Nil)

**REPORT OF THE DIRECTORS (CONTINUED)**

**DIRECTORS**

The directors of the company who served throughout the period, and to the date of this report, except where noted, were

<b>Name</b>	<b>Resigned</b>
D Johnson	12 May 2009
C G Sanders	12 December 2008
J Stolz	
P T Brennan	7 May 2009
S A Collins	
S Davies	15 January 2009
K Gasvoda	
M Pinggera	

None of the directors had any interests either during or at the end of the period in any material contract or arrangement with the company

**DISCLOSURE OF INFORMATION TO AUDITORS**

In the case of each of the persons who are directors of the company at the date when this report was approved

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each of the directors has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**AUDITORS**

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

**DATE OF AUTHORISATION OF ISSUE**

The financial statements were authorised for issue by the Board of Directors on 24 September 2010

**By order of the board**

S A. Collins 

S A Collins  
Director

27 September 2010

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to

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

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
MONEY PARTNERS HOLDINGS LIMITED**

We have audited the financial statements of Money Partners Holdings Limited for the 13 month period ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Respective responsibilities of directors and auditors**

As explained more fully in the directors' report the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

**Opinion on financial statements**

In our opinion the financial statements

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

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

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

**Matters on which we are required to report by exception**

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

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

Christopher Rowland (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

*27 September 2010*

# MONEY PARTNERS HOLDINGS LIMITED

## PROFIT AND LOSS ACCOUNT 13 Month period ended 31 December 2009

	Note	13 month period ended 31 December 2009	12 month period ended 30 November 2008
		Total £'000	Total £'000
Fees and commissions receivable	2	1,888	7,367
Interest receivable		509	454
Interest payable and similar charges	4	-	(84)
Operating expenses		<u>(3,197)</u>	<u>(21,766)</u>
<b>OPERATING LOSS BEING THE LOSS ON ORDINARY ACTIVITIES BEFORE TAX</b>	5	(800)	(14,029)
Tax (charge)/credit on loss on ordinary activities	8	(236)	709
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAX BEING THE RETAINED LOSS FOR THE FINANCIAL PERIOD</b>	13	<u>(1,036)</u>	<u>(13,320)</u>

The profit on ordinary activities before tax of the company is derived from continuing operations in the current period and prior period

There are no recognised gains or losses other than the loss for the periods ended 31 December 2009 and 30 November 2008 as shown above. Accordingly no statement of total recognised gains and losses is presented

There is no difference between the profit on ordinary activities before taxation and the profit for the period stated above and their historical costs equivalents

The notes on pages 7 to 19 form part of these financial statements

Independent Auditors' report – page 4

# MONEY PARTNERS HOLDINGS LIMITED

## BALANCE SHEET 31 December 2009

	Note	31 December 2009 £'000	31 December 2009 £'000	30 November 2008 £'000	30 November 2008 £'000
<b>FIXED ASSETS</b>					
Tangible assets	10		242		828
			<u>242</u>		<u>828</u>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	11	2,735		5,987	
Cash at bank		<u>92</u>		<u>484</u>	
			2,827		6,471
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	15		(722)		(7,224)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>2,105</u>		<u>(753)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,347		75
<b>NET ASSETS</b>			<u><u>2,347</u></u>		<u><u>75</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12	15,154		11,846	
Share premium	13	4,832		4,832	
Profit and loss account	13	<u>(17,639)</u>		<u>(16,603)</u>	
<b>TOTAL SHAREHOLDER'S FUNDS</b>	13		<u><u>2,347</u></u>		<u><u>75</u></u>

The financial statements on pages 5 to 19 were approved by the Board of Directors on 27 September 2010 and were signed on its behalf by

*S A. Collins*

S A Collins  
Director

The notes on pages 7 to 19 form part of these financial statements  
Independent Auditors' report – page 4  
Company number 4993066

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**1. ACCOUNTING POLICIES**

**Accounting convention**

These financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable United Kingdom law, applicable United Kingdom accounting standards and pronouncements of the Urgent Issues Task Force ('UITF')

**Basis of consolidation**

The company is a subsidiary undertaking of a company incorporated in Great Britain and has elected not to prepare group accounts in accordance with the dispensation set out in section 400 of the Companies Act 2006

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and net of any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows

Short-term leasehold property	5 years
Computer equipment	3 years
Furniture, fixtures and office equipment	5 years

**Fees and commissions receivable**

Fees and commissions receivable comprise management recharges to group companies and are recorded on an accruals basis

**Taxation**

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



**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2009**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Deferred Taxation**

Full provision is made for deferred taxation in respect of all differences in timing between the accounting and tax treatment of income and expenses. The timing differences are recognised as deferred tax liabilities or assets, measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on rates and laws that have been enacted or substantially enacted by the balance sheet date. An asset is not recognised if the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities are not discounted.

**Operating leases**

Rental costs under operating leases are charged to the profit and loss account so as to spread the charge evenly over the life of the leases.

**Finance leases**

Assets held under hire purchase contracts or finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the profit and loss account over the relevant period and the capital element of the future payments is treated as a liability in the balance sheet.

**Pension costs**

The company operates a defined contribution pension scheme and contributions to the scheme are charged in the accounts as they accrue.

**Investments**

Fixed asset investments are shown at cost less provision for impairment.

**2. TURNOVER**

The nature of the business of the company is to act as a holding company for, and provide management services to, its subsidiary companies. The directors are of the opinion that it is more appropriate to use fees and commissions receivable and fees and commissions payable rather than turnover and cost of sales in preparing the profit and loss account.

**3. FRS1 CASH FLOW STATEMENTS**

The company is a greater than 90% subsidiary of The Goldman Sachs Group, Inc., and is, therefore, exempt from preparing a cash flow statement as required by FRS1, 'Cash flow statements', as the ultimate parent company accounts are publicly available.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>13 month period ended 31 December 2009 £'000</b>	<b>12 month period ended 30 November 2008 £'000</b>
On loans repayable in less than one year	-	84

**5. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>13 month period ended 31 December 2009 £'000</b>	<b>12 month period ended 30 November 2008 £'000</b>
Operating loss being the loss on ordinary activities before taxation is stated after charging		
Depreciation on assets owned	526	918
Depreciation on assets held under finance leases	4	72
Property rents	239	1,020
Operating lease rentals for plant and equipment	42	167
Provisions for amounts due from subsidiary undertakings	889	10,943
Redundancy costs	191	1,076
Provisions for office closure costs	51	1,394

The auditors' remuneration of £47,000 (12 month period ended 30 November 2008 £47,000) has been borne by a group undertaking

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**6 STAFF COSTS**

	<b>13 month period ended 31 December 2009 Number</b>	<b>12 month period ended 30 November 2008 Number</b>
Average number of persons employed	<u>10</u>	<u>56</u>
Employees by category at the period end		
Sales and underwriting	1	6
Administration	<u>6</u>	<u>12</u>
	<b>13 month period ended 31 December 2009 £'000</b>	<b>12 month period ended 30 November 2008 £'000</b>
Staff costs during the period (including directors)		
Wages and salaries	1,020	4,267
Social security costs	116	457
Pension costs	<u>50</u>	<u>162</u>
	<u>1,186</u>	<u>4,886</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**7. DIRECTORS EMOLUMENTS**

The total emoluments paid to the directors during the financial period are set out below

	13 month period ended 31 December 2009 £'000	12 month period ended 30 November 2008 £'000
Salaries and fees	99	769
Other benefits	5	25
	<hr/>	<hr/>
	104	794
Company pension scheme contributions	4	18
	<hr/>	<hr/>
	108	812
	<hr/>	<hr/>
The remuneration of the highest paid director during the period	67	326
Pension contributions made in respect of this director	3	9
	<hr/>	<hr/>

In accordance with the Companies Act 2006, directors' emoluments above represent the proportion of total emoluments paid or payable in respect of qualifying services only. Directors also receive emoluments for non-qualifying services which are not required to be disclosed. Seven directors are members of a defined contribution pension scheme. Five directors are members of a defined benefit pension scheme. Five directors have been granted shares in respect of a long term incentive scheme. The highest paid director has not been granted shares in respect of a long term incentive scheme. No directors have exercised options.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**8 TAX CHARGE/(CREDIT) ON LOSS ON ORDINARY ACTIVITIES**

	13 month period ended 31 December 2009 £'000	12 month period ended 30 November 2008 £'000
<b>Current Tax</b>		
Corporation tax – prior year	30	(4)
Group relief payable/(receivable) – current year	61	(670)
Group relief payable/(receivable) – prior year	145	-
<b>Deferred Tax</b>		
Origination and reversal of timing differences	-	(35)
Total tax credit for the period	<u>236</u>	<u>(709)</u>

Group relief represents amounts payable/(receivable) to/from a group undertaking in consideration of the surrender of losses under group relief arrangements

**Factors affecting the tax charge/(credit) for the period**

The current tax charge/(credit) for the period differs from applying the standard rate of UK corporation tax of 28% (2008 28 67%) The differences are explained below

	13 month period ended 31 December 2009 £'000	12 month period ended 30 November 2008 £'000
Loss on ordinary activities before tax	<u>(799)</u>	<u>(14,029)</u>
Expected tax credit at 28% (2008 28 67%)	(224)	(4,022)
Effects of		
Expenses not deductible for tax purposes	261	3,154
Depreciation in excess of capital allowances	83	192
Tax losses not available for offset in current period	-	5
Tax Losses utilised	(59)	-
Prior year adjustment	<u>175</u>	<u>(3)</u>
Current tax charge/(credit) for the period	<u>236</u>	<u>(674)</u>

The rate of corporation tax was reduced from 30% to 28% with effect from 1 April 2008 Therefore the effective tax rate for the period ended 31 December 2009 is 28% (2008 28 67%)

# NOTES TO THE FINANCIAL STATEMENTS

## 31 December 2009

### 9 INVESTMENTS

31 December 2009 £'000	30 November 2008 £'000
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At 1 December 2008 and at 31 December 2009

-	-
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The principal subsidiaries over which the company exercises control, and the effective percentage ownership interests in the ordinary shares held directly by the company at the period end are listed below

<i>Name of Company</i>	<i>Principal activity</i>	<i>%</i>	<i>Number in issue</i>	<i>Class</i>	<i>Nominal</i>
Money Partners Limited	Residential lending	100	1	Ordinary	£1
Money Partners Loans Limited	In Liquidation	100	1	Ordinary	£1
Residential 1 Limited	In Liquidation	100	6	Ordinary	£6

During the period Money Partners Mortgages Limited and Residential One Limited were dissolved. Both companies were wholly owned. Following the period end Money Partners Loans Limited was dissolved.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**10 TANGIBLE FIXED ASSETS**

	Short term leasehold property	Furniture, fixtures, office and computer equipment	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 December 2008	698	2,878	3,576
Additions	-	-	-
Transfer from group company	-	-	-
Disposals	(698)	(557)	(1,255)
	<hr/>	<hr/>	<hr/>
At 31 December 2009	-	2,321	2,321
	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>			
At 1 December 2008	668	2,080	2,748
Charge for the period	30	500	530
On disposals	(698)	(501)	(1,199)
	<hr/>	<hr/>	<hr/>
At 30 November 2008	-	2,079	2,079
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2009	-	242	242
	<hr/>	<hr/>	<hr/>
At 30 November 2008	30	798	828
	<hr/>	<hr/>	<hr/>
<i>Leased assets included above</i>			
<b>Net book value</b>			
At 31 December 2009	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 November 2008	-	12	12
	<hr/>	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**11. DEBTORS AND PREPAYMENTS**

	31 December 2009 £'000	30 November 2008 £'000
<b>Amounts falling due within one year</b>		
Group relief receivable	525	670
Amounts due from group undertakings	2,112	5,109
Other debtors	35	31
Prepayments and accrued income	63	177
	<u>2,735</u>	<u>5,987</u>

The company has made available long-term subordinated loan facilities with its subsidiary undertakings, Money Partners Limited and Residential 1 Limited. Interest is payable at 4% above UK LIBOR and there is no fixed repayment date. The loan facilities were used to provide working capital for the subsidiary companies.

The company does not consider the subordinated loans as recoverable and has provided for these amounts in full.



**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**12 CALLED UP SHARE CAPITAL**

	31 December 2009 £'000	30 November 2008 £'000
Called up, allotted and fully paid		
6,500,003 ordinary shares of £1 each	6,500	6,500
8,653,685 redeemable shares of £1 each	8,654	4,946
	<u>15,154</u>	<u>11,446</u>

Allotted but unpaid		
400,000 redeemable shares of £1 each	-	400
	<u>-</u>	<u>400</u>

During the year shares allotted but unpaid as at 30 November 2008 were paid in full. Consequently these were transferred to called up, allotted and fully paid.

Shares were allotted during the period as follows

Date	Type	Nominal Value per share	Number	Amount £
22 December 2008	Redeemable shares	£1	400,000	400,000
21 January 2009	Redeemable shares	£1	227,000	227,000
25 March 2009	Redeemable shares	£1	200,000	200,000
22 April 2009	Redeemable shares	£1	300,000	300,000
29 April 2009	Redeemable shares	£1	820,000	820,000
20 May 2009	Redeemable shares	£1	150,000	150,000
15 June 2008	Redeemable shares	£1	225,000	225,000
8 July 2009	Redeemable shares	£1	331,000	331,000
14 August 2009	Redeemable shares	£1	155,000	155,000
14 September 2009	Redeemable shares	£1	179,000	179,000
20 October 2009	Redeemable shares	£1	122,000	122,000
17 December 2009	Redeemable shares	£1	199,000	199,000
			<u>3,308,000</u>	<u>3,308,000</u>

**NOTES TO THE FINANCIAL STATEMENTS-**  
**31 December 2009**

**13. SHAREHOLDER'S FUNDS**

	Share Capital	Share Premium	Profit and loss account	Total Shareholder's funds
	£'000	£'000	£'000	£'000
At 1 December 2008	11,846	4,832	(16,603)	75
Issue of new share capital	3,308	-	-	3,308
Loss for the period	-	-	(1,036)	(1,036)
At 31 December 2009	<u>15,154</u>	<u>4,832</u>	<u>(17,639)</u>	<u>2,347</u>

**14. DEFERRED TAX**

	31 December 2009 £'000	30 November 2008 £'000
At 1 December	-	35
Credit to profit and loss account	-	(35)
At 31 December	<u>-</u>	<u>-</u>

The potential deferred tax asset of £238,000 has not been recognised on the basis that the recoverability is uncertain

**15 CREDITORS**

	31 December 2009 £'000	30 November 2008 £'000
<b>Amounts falling due within one year</b>		
Group relief payable	61	-
Amounts due to group undertakings	-	5,037
Other creditors	57	250
Accruals and deferred income	604	1,937
	<u>722</u>	<u>7,224</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**16. FINANCIAL COMMITMENTS AND CONTINGENCIES**

There were no capital commitments at 31 December 2009 and 30 November 2008

On 31 December 2009 the company had commitments to make payments in the next year under operating leases which expire as follows

	31 December 2009 £'000	30 November 2008 £'000
<b>Land and Buildings</b>		
Leases which expire between one and two years	158	-
Leases which expire between two and five years	-	691
	<u>158</u>	<u>691</u>
<b>Other leases</b>		
Leases which expire		
In less than one year	18	-
Between two and five years	-	54
	<u>18</u>	<u>54</u>

**17. PENSION SCHEME**

The company operates a defined contribution pension scheme for its employees. The total charge in the accounts for the scheme for the period amounted to £50,439 (2008 £162,130). Contributions amounting to £Nil (2008 £Nil) were accrued but unpaid at 31 December 2009.

**18. RELATED PARTY TRANSACTIONS**

**Transactions with other group companies**

Under the terms of paragraph 3(c) of FRS 8, 'Related Party Disclosures', the company is exempt from disclosing transactions with wholly owned group companies. There were no other related party transactions requiring disclosure.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2009**

**19. POST BALANCE SHEET EVENT**

Shares were subsequently allotted after 31 December 2009 as follows

Date	Type	Nominal Value per share	Number	Amount £
22 January 2010	Redeemable shares	£1	90,000	90,000

The purpose of the share issuance was to provide working capital

**20. ULTIMATE PARENT UNDERTAKING**

The immediate parent undertaking and the parent company of the smallest group for which consolidated financial statements are prepared is Goldman Sachs Group Holdings (U K), a company incorporated in Great Britain and registered in England and Wales

The ultimate parent undertaking and the parent company of the largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc, a company incorporated within the United States of America. Copies of its accounts can be obtained from 200 West Street, New York, NY 10282, United States of America, the group's principal place of business