

Registered number: 05027861

**FGIC UK SERVICES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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# **FGIC UK SERVICES LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	John Dubel Timothy Travers A. Edward Turi
<b>Company secretary</b>	Catherine Collard
<b>Company number</b>	05027861
<b>Registered office</b>	11 Old Jewry London EC2R 8DU
<b>Auditors</b>	Ernst & Young LLP

# **FGIC UK SERVICES LIMITED**

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# **FGIC UK SERVICES LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

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Amounts in £000's unless otherwise noted.

The directors present their report and the audited financial statements for the year ended 31 December 2008.

### **Principal Activities**

During 2008 FGIC UK Services Limited (the "Company") provided administrative and sales support to FGIC UK Limited ("UK Limited") and the UK Branch of Financial Guaranty Insurance Company (the "UK Branch"). The Company and UK Limited are wholly owned subsidiaries of Financial Guaranty Insurance Company ("FGIC").

UK Limited provides credit enhancement products in the UK and other European Union member countries. The UK Branch provides financial credit enhancement products in the United Kingdom. The Company provides support to these entities directly through its employed staff or by engaging the services of FGIC.

The Company no longer provides administrative and sales support to FGIC Credit Products Limited ("Credit Products").

### **Results for the year and dividends**

At 31 December 2008, the Company had 4 employees (2007: 20). The monthly average number of employees during 2008 was 15 (2007: 20). Staff costs remained relatively flat at £4,329 compared to £4,377 for the years ended 31 December 2008 and 2007, respectively. Other direct expenses incurred decreased to £1,465 from £2,254 for the years ended 31 December 2008 and 2007, respectively. The expense related to support services provided by FGIC decreased to £2,510 from £3,386 for the years ended 31 December 2008 and 2007, respectively. All expenses were lower due to reduced expenditures as neither the UK Branch nor UK Limited engaged in writing any new business during the year. All expenses were subsequently re-charged to UK Limited or UK Branch. For the year ended 31 December 2008, the Company generated a profit on ordinary activities before taxation of £196 (2007: £338), which is primarily the result of interest income earned on investments that was partially offset by losses on foreign exchange.

Total assets were £8,516 at 31 December 2008 compared to £8,334 at 31 December 2007. Cash and fixed asset investments totalled £7,512 at 31 December 2008 compared to £6,595 at 31 December 2007. The increase was attributable to the timing of payments on incurred expenses and interest income received during the year. Fixed assets and equipment decreased by £161 in 2008 mainly due to depreciation. Current liabilities increased to £2,278 at 31 December 2008 from £2,205 at 31 December 2007 resulting from lower expenses incurred and the timing of settlement of balances owed to related parties.

The profit for the year, after taxation, amounted to £109 (2007 - £447). No dividend has been proposed for the year (2007 - Nil).

### **Financial Instruments**

The Company's principal financial instruments include investments and cash. In addition, the Company has various other financial assets and liabilities such as debtors and creditors arising directly from its operations. Excess cash balances are invested in an 'AAA' rated Undertakings for Collective Investments in Transferable Securities ("UCITS"), as appropriate in accordance with short-term liquidity requirements. The investment strategy of the UCITS focuses on debt obligations of governments, international organisations, and corporations or financial institutions of high credit standing. Income generated from the UCITS is accumulated daily and reinvested at each month end. Cash balances are maintained in well recognised banking institutions with established market presences. All relationship banks must maintain a strong presence in their country of operation and the UK.

# **FGIC UK SERVICES LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

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### **Principal risks and uncertainties**

#### ***Recent and future developments***

The deterioration in the U.S. housing and mortgage markets and the global credit markets, which accelerated in the fourth quarter of 2007 and continued through 2009, has adversely affected both FGIC and UK Limited's business, results of operations and financial condition. Specifically, FGIC and UK Limited incurred significant losses related to their exposure to certain collateralized debt obligations of asset-backed securities ("ABS CDOs"), which are backed primarily by subprime residential mortgage-backed securities, and to certain residential mortgage-backed securities ("RMBS"), primarily backed by second-lien mortgages. As a result of these losses, FGIC and UK Limited's financial strength and credit ratings were downgraded during 2008 and 2009 and subsequently withdrawn by Moody's Investor Services Inc. (March 2009), Standard & Poor's Rating Services (April 2009) and Fitch Ratings (November 2008).

FGIC and UK Limited ceased writing new financial guaranty business in January 2008 to preserve capital, due to the adverse developments described above. FGIC and UK Limited do not currently have any plans to recommence writing new financial guaranty business in the foreseeable future, and there can be no assurance that they will ever be able to recommence writing new business.

FGIC's current principal business goal is to improve its financial position and liquidity by reducing exposure and volatility, and mitigating losses, in its insured portfolio. FGIC is seeking to accomplish this by focusing its efforts on seeking (a) to commute, terminate or restructure FGIC's policies (and any related credit default swaps ("CDS")) covering ABS CDOs and RMBS, including purchasing its insured securities in the open market or otherwise, on terms satisfactory to FGIC, and (b) to remediate distressed RMBS and ABS CDO transactions to minimize its claim payments, maximize its recoveries and mitigate its ultimate expected losses. However, there can be no assurance that FGIC's loss mitigation efforts will be successful, and it is not possible to predict the magnitude of any benefit that might be derived from any such efforts that are successful.

Under New York State Insurance Law, FGIC must maintain surplus to policy holders of at least \$65,000. FGIC's surplus to policy holders was \$505,534k and \$260,909k at 31 December 2008 and 2007, respectively. Should FGIC incur additional losses, FGIC's policyholders' surplus could fall below the minimum amount. If FGIC is unable to meet the minimum surplus requirements, the New York State Superintendent of Insurance (the "Superintendent") could seek an order to place FGIC under regulatory control. As of 31 December 2008, FGIC's aggregate net liability under its insured exposures continued to exceed the aggregate risk limit prescribed by New York State Insurance Law and FGIC's insured exposure under certain individual policies continued to exceed the applicable single risk limits prescribed by New York State Insurance Law.

Credit Products cancelled its FSA license to pursue investment services activities effective 9 December 2008. The Company did not provide any services to Credit Products during 2008 and all amounts due for services that were provided in prior years were settled.

As a result of the developments at FGIC and UK Limited, the Company reduced the number of employees during 2008 and 2009. In 2009, the Company will vacate its offices by exercising an optional termination provision of its lease. Management is evaluating options for outsourcing the functions that were previously provided by the Company.

# **FGIC UK SERVICES LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

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### **Directors**

The Directors of the Company who served during the year ended 31 December 2008 were as follows:

Frank Bivona (resigned 11 December 2008)  
John Dubel (appointed 19 December 2008)  
Donna Blank (resigned 19 February 2008)  
Howard Pfeffer (resigned 19 February 2008)  
Timothy Travers  
A. Edward Turi

### **Company Secretary**

The Company secretaries serving during the year ended 31 December 2008 were as follows:

Robert Lamm (resigned 27 June 2008)  
Harry Stanley (appointed 30 June 2008, resigned 31 October 2008)  
Catherine Collard (appointed 3 November 2008)

### **Political and charitable contributions**

The Company donated £2 (2007: £3) to charitable causes during the year ended 31 December 2008.

### **Disclosure of information to auditors**

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

This report was approved by the board on 18 August 2009 and signed on its behalf.



**Catherine Collard**  
Company Secretary

## **FGIC UK SERVICES LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2008**

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

## **FGIC UK SERVICES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FGIC UK SERVICES LIMITED**

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We have audited the financial statements of FGIC UK Services Limited for the year ended 31 December 2008 which comprise the Profit and Loss account, the Balance Sheet and related notes 1 to 21. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Company's member in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's member 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 member for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



## FGIC UK SERVICES LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FGIC UK SERVICES LIMITED

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#### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*Ernst & Young LLP*

**Ernst & Young LLP**

Registered Auditor  
London

Date: 20 August 2009

## FGIC UK SERVICES LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 £000	2007 £000
Turnover	1	8,199	10,148
Administrative expenses		(8,306)	(10,014)
<b>Operating (loss)/profit</b>	2	(107)	134
Interest receivable and other income	6	330	334
Interest payable and similar charges	7	(27)	(130)
<b>Profit on ordinary activities before taxation</b>		196	338
Tax on profit on ordinary activities	8	(87)	109
<b>Profit on ordinary activities after taxation</b>	15	109	447

All amounts relate to continuing operations.

There were no recognised gains and losses for 2008 or 2007 other than those included in the profit and loss account, accordingly a separate Statement of Total Recognised Gains and Losses has not been prepared.

The notes on pages 9 to 17 form part of these financial statements.

# FGIC UK SERVICES LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	£000	2008 £000	2007 £000
<b>Fixed assets</b>				
Tangible fixed assets	9		326	487
Fixed asset investments	10		3,529	6,082
			<u>3,855</u>	<u>6,569</u>
<b>Current assets</b>				
Debtors	11	678		1,252
Cash at bank and in hand		3,983		513
		<u>4,661</u>		<u>1,765</u>
<b>Creditors: amounts falling due within one year</b>	12	(2,278)		(2,205)
<b>Net current assets/(liabilities)</b>			<u>2,383</u>	<u>(440)</u>
<b>Total assets less current liabilities</b>			<u>6,238</u>	<u>6,129</u>
<b>Capital and Reserves</b>				
Called up share capital	14		54	54
Share premium account	15		5,335	5,335
Profit and loss account	15		849	740
<b>Shareholders' funds</b>	16		<u>6,238</u>	<u>6,129</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 August 2009.



**Timothy Travers**  
Director

The notes on pages 9 to 17 form part of these financial statements.

# FGIC UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

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### 1. Accounting policies

#### 1.1 Accounting Convention

The financial statements are prepared under the historic cost convention and in accordance with applicable accounting standards.

#### 1.2 Cash flow statement

As a wholly owned subsidiary of a group that produces publicly available consolidated accounts, the Company does not prepare a cash flow statement by taking advantage of the exemption granted by Financial Reporting Standard 1 (Revised).

#### 1.3 Turnover

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the UK. Turnover represents fees for management services.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life on a straight line basis, as follows:

Leasehold Improvements	-	10%	straight line
Fixtures & fittings	-	20%	straight line
Computer equipment	-	33%	straight line

#### 1.5 Investments

Investments held as fixed assets are shown at current value.

#### 1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.7 Pensions

The Company makes contributions into the employee personal contracts within the group personal pension plan. Costs are charged to the profit and loss account in the year in which they are incurred.

#### 1.8 Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less or a right to receive more, tax in the future have occurred at the balance sheet date. Deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

#### 1.9 Interest Receivable

Interest is recognised as the interest accrues to the Company.

# FGIC UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

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### 1. Accounting policies (continued)

#### 1.10 Foreign currencies

Monetary assets and liabilities recorded in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year. Differences arising on the translation of such items are dealt with in the profit and loss account. Revenues and expenses are translated at average monthly exchange rates. Foreign exchange gains and losses are included in the profit and loss account within other operating income or charges.

### 2. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2008 £000	2007 £000
Depreciation of tangible fixed assets (see note 9):		
- owned by the Company	175	207
Auditors' remuneration	20	24
Staff costs (see note 4)	4,329	4,377
Operating lease rentals (see note 18)	379	236
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### 3. Auditors' remuneration

	2008 £000	2007 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	20	16
Other fees incurred in the current year relating to prior years	-	8
	<hr/>	<hr/>
	20	24
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## FGIC UK SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

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#### 4. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2008 £000	2007 £000
Wages and salaries	3,695	3,601
Social security costs	511	409
Other pension costs	123	367
	<u>4,329</u>	<u>4,377</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2008 No.	2007 No.
Management	2	3
Administration	3	5
Sales	10	12
	<u>15</u>	<u>20</u>

#### 5. Directors' remuneration

The directors received the following emoluments paid in respect of their services as directors of the Company:

	2008 £000	2007 £000
Emoluments	<u>489</u>	<u>827</u>
Pension contributions	<u>-</u>	<u>50</u>

One of the directors was remunerated by the Company as disclosed above. The director's emoluments are paid by the Company whilst pension contributions costs are borne by the immediate parent company.

One of the directors of FGIC UK Limited was remunerated by the Company. Fees of £74,000 (2007: £31,000) were paid in respect of services rendered as a director of FGIC UK Limited.

The remaining directors were remunerated by the immediate parent company during the period. No additional amounts were paid to these directors in respect of their services as directors of the Company (2007: Nil). All directors are included within the group retirement scheme of the immediate parent company and contributions are charged to that company.

## FGIC UK SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

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#### 5. Directors' remuneration (continued)

The emoluments of the directors disclosed above include the following amounts paid to the highest paid director:

	2008 £000	2007 £000
Emoluments	489	827
Pension contributions	-	50
Total	<u>489</u>	<u>877</u>

#### 6. Interest receivable and other income

	2008 £000	2007 £000
Other interest receivable	272	293
Other income	58	41
Total	<u>330</u>	<u>334</u>

#### 7. Interest payable and similar charges

	2008 £000	2007 £000
Bank charges	4	4
Foreign exchange losses	23	126
	<u>27</u>	<u>130</u>

# FGIC UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 8. Taxation

	2008 £000	2007 £000
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profits for the year	38	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	49	(108)
Effect of increased tax rate on opening asset	-	(1)
<b>Total deferred tax</b> (see note 13)	49	(109)
<b>Tax on profit on ordinary activities</b>	87	(109)

### Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2008 £000	2007 £000
Profit on ordinary activities before tax	196	338
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.5% (2007 - 30%)	55	101
<b>Effects of:</b>		
Expenses not deductible for tax purposes	23	25
Capital allowances for year in excess of depreciation	9	62
Other timing differences	(49)	6
Group relief surrendered for no payment	-	(194)
<b>Current tax charge for the year</b> (see note above)	38	-



# FGIC UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 9. Tangible fixed assets

	Leasehold improvements £000	Fixtures and fittings £000	Computer Equipment £000	Total £000
<b>Cost</b>				
At 1 January 2008	335	656	161	1,152
Additions	-	-	14	14
At 31 December 2008	335	656	175	1,166
<b>Depreciation</b>				
At 1 January 2008	93	415	157	665
Charge for the year	31	137	7	175
At 31 December 2008	124	552	164	840
<b>Net book value</b>				
At 31 December 2008	211	104	11	326
At 31 December 2007	242	241	4	487

### 10. Fixed asset investments

	Unlisted investments £000
<b>Current value</b>	
At 1 January 2008	6,082
Disposals	(2,553)
At 31 December 2008	3,529

### 11. Debtors

	2008 £000	2007 £000
Amounts owed by group undertakings	502	899
Corporation tax	-	22
Prepayments and accrued income	99	205
Deferred tax asset (see note 13)	77	126
	678	1,252

## FGIC UK SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

**12. Creditors:**  
**Amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	1,673	24
Corporation tax	38	-
Social security and other taxes	14	229
Other creditors	22	-
Accruals	531	1,952
	<u>2,278</u>	<u>2,205</u>

**13. Deferred tax asset**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
At 1 January	126	17
Credit during the year	(49)	109
	<u>77</u>	<u>126</u>

The deferred tax asset is made up as follows:

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Accelerated capital allowances	76	77
Other timing differences	1	49
	<u>77</u>	<u>126</u>

**14. Share capital**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
<b>Authorised</b>		
5,000,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
<b>Allotted, called up and fully paid</b>		
53,892 Ordinary shares of £1 each	<u>54</u>	<u>54</u>

# FGIC UK SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 15. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2008	5,335	740
Profit retained for the year	-	109
	<u>5,335</u>	<u>849</u>
At 31 December 2008	<u>5,335</u>	<u>849</u>

### 16. Reconciliation of movement in shareholders' funds

	2008 £000	2007 £000
Opening shareholders' funds	6,129	5,682
Profit for the year	109	447
	<u>6,238</u>	<u>6,129</u>
Closing shareholders' funds	<u>6,238</u>	<u>6,129</u>

### 17. Pension costs

The Company makes contributions to employee personal pension contracts within the group personal pension plan. The pension cost charged represents contributions payable by the Company into the group personal pension plans. These amounted to £123 (2007: £367).

### 18. Operating lease commitments

At 31 December 2008 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2008 £000	2007 £000
<b>Expiry date:</b>		
Within 1 year	151	-
After more than 5 years	-	236
	<u>151</u>	<u>236</u>

### 19. Related party transactions

As the Company is a wholly owned subsidiary of FGIC and consolidated accounts of this group, which includes the Company, are publicly available, it has taken advantage of the disclosure exemptions allowed by FRS 8.

## **FGIC UK SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008**

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#### **20. Reconciliation to US GAAP**

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, which differs in certain respects from accounting principles generally accepted in the United States. Whilst there are many differences between the two bases of accounting, due to the nature of the Company there are no differences that impact the Company's financial reporting.

#### **21. Parent Company**

The immediate parent company is Financial Guaranty Insurance Company, a company incorporated in the United States of America.

The ultimate parent company is FGIC Corporation, a company incorporated in the United States of America. The consolidated financial statements of the group may be obtained from [www.fgic.com](http://www.fgic.com).