OAKWOOD HOMELOANS HOLDINGS LIMITED

Directors' Report and Financial Statements
For the year ended 31 December 2013

Registered number 5092305

Report and Financial Statements

Contents

BOARD OF DIRECTORS

Leonora Daniel	Director
Victor Su	Director

COMPANY SECRETARY

Roger Lansdowne	Company Secretary

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present the strategic report for the year ended 31 December 2013

Principal activity

The principal activity of the Company is that of a holding company with respect to Oakwood Homeloans Limited ("the Subsidiary"), a wholly owned subsidiary company which is incorporated and domiciled in the United Kingdom

Review of business

The statement of comprehensive income for the year is set out on page 8 Trading conditions experienced within the mortgage sector by the Subsidiary continue to be challenging and therefore the Company has incurred a loss for the year and the financial position at the year-end were considered satisfactory by the directors

Results

The Company's loss for the year is £2,020,463 (2012 £1,826,876) As at 31 December 2013, the Company had total assets of £6,199 (2012 £ nil), which comprise mainly of cash balances held with the parent and total shareholders' negative equity of £2,080,714 (2012 £2,060,251)

Strategy

Notwithstanding any changes to the present economic environment and challenging conditions being experienced in the mortgage sector, the directors continue to monitor the performance of the Company carefully and continue to deliver appropriate services to its subsidiaries customers

Risks and Uncertainties

The risks facing the Company are liquidity risk, on any cash balances, market risk and credit risk primarily on revenue and related receivables In relation to credit risk, the majority of total assets are held with other Credit Suisse Group companies, and accordingly, this is not considered to be a significant risk The Company's financial risk management objectives and policies are outlined in Note 15 to the financial statements

Capital Resources

During the year, the Company issued £2 million additional share capital (2012 £1 8 million) The Company continues to closely monitor its capital and funding requirements 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

Measurement/Key Performance Indicators

Primary indicators tracked are

- Pre-Tax Losses ('PTL') on a total business level as in line with management expectation the Company has made a loss for the period under review

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using other key performance indicators is not necessary for an understanding of the development, performance or position of the business

Signed on behalf of the Board of Directors on 25 April 2014 by:

Leonora Daniel
Director

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

International Financial Reporting Standards

Oakwood Homeloans Holdings Limited ('OHHL') 2013 annual accounts have been prepared in accordance with International Financial Reporting Standards and its interpretations ('IFRS') as adopted for use in the European Union ('EU')

The financial statements were authorised for issue by the Directors on 25 April 2014

Going Concern Basis

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in the net 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

Exemption from group accounts

Pursuant to section 401 of the Companies Act, 2006, the Company is exempt from preparing and delivering group financial statements as the Company is a wholly owned indirect subsidiary of Credit Suisse Group AG, incorporated in Switzerland, which prepares consolidated financial statements

Results and dividends

The Company's loss for the year is £2,020,463 (2012 £1,826,876) The directors do not recommend the payment of a final dividend (2012 £nil)

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 2012 and up to the date of this report are as follows
Eugene Gorelik (resigned on 22 April 2013)
Bruce Kaiserman (resigned on 27 March 2013)
Peter Stevens (resigned on 7 November 2013)
Victor Su (appointed on 7 November 2013)

The directors did not receive any remuneration in respect of their services as directors of the Company The directors are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these directors

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

Disclosure of information to Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they each are aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Auditors

Our auditor, KPMG Audit Plc, has instigated an orderly wind down of their business The Board has decided to put KPMG LLP forward to be appointed as auditor and a resolution concerning its appointment will be put to the forthcoming AGM of the company

By order of the Board

Leonora Daniel
Director
The Old Sawmill, Broughton Hall Business Park,
Skipton, North Yorkshire, BD23 3AE United Kingdom

25 April 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Directors' 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 prepared the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU") and applicable law

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing these 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 they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business the directors have considered the deficiency in the net assets, and 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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the 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 Company and to prevent and detect fraud and other irregularities

Approved by the Board of Directors on 25 April 2014 and signed on its behalf by

Leonora Daniel
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OAKWOOD HOMELOANS HOLDINGS LIMITED

We have audited the financial statements of Oakwood Homeloans Holdings Limited for the year ended 31 December 2013 set out on pages 8 to 23 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

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 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 auditor
As explained more fully in the Directors' Responsibilities Statement set out on 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 the Auditing Practices Board's Ethical Standards 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 Financial Reporting Council's website at www frc org uk/auditscopeukprivate

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRS as adopted by the EU, 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 year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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 our audit

S. Ryder

Simon Ryder (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
25 April 2014

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Revenue	4	-	-
Interest expense	5	(19,057)	(26,876)
Administrative expenses	6	(7,605)	-
Impairment	11	(2,000,000)	(1,800,000)
Loss before tax	7	**(2,026,662)**	**(1,826,876)**
Taxation	10	6,199	-
Loss for the year		**(2,020,463)**	**(1,826,876)**

There were no items of other comprehensive income during the period

Losses for both 2013 and 2012 are derived from continuing operations

The notes on pages 12 to 23 form an integral part of the Financial Statements

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Notes	2013	2012
		£	£
Non-current assets			
Investment in subsidiaries	11	-	-
Group relief receivable	12	6,199	-
TOTAL ASSETS		**6,199**	**-**
LIABILITIES			
Current liabilities			
Accruals	13	7,605	-
Total current liabilities		7,605	-
Non-current liabilities			
Other financial liabilities	13	2,079,308	2,060,251
Total non-current liabilities		2,079,308	2,060,251
TOTAL LIABILITIES		**2,086,913**	**2,060,251**
SHAREHOLDERS' EQUITY			
Called up share capital	14	3,968,136	1,968,136
Retained earnings		(6,048,850)	(4,028,387)
SHAREHOLDERS' EQUITY		**(2,080,714)**	**(2,060,251)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**6,199**	**-**

The notes on pages 12 to 23 form part of the Financial Statements

These financial statements were approved by the Board of Directors on 25 April 2014 and were signed on its behalf by

Leonora Daniel
Director
Company Registered Number 5092305

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

	Share Capital	Retained Earnings	Total Equity
	£	£	£
Balance at 1 January 2013	1,968,136	(4,028,387)	(2,060,251)
Net loss for the year	-	(2,020,463)	(2,020,463)
Total comprehensive loss for the year	-	(2,020,463)	(2,020,463)
Issue of share capital	2,000,000	-	2,000,000
Balance at 31 December 2013	**3,968,136**	**(6,048,850)**	**(2,080,714)**

	Share Capital	Retained Earnings	Total Equity
	£	£	£
Balance at 1 January 2012	168,136	(2,201,511)	(2,033,375)
Net loss for the year	-	(1,826,876)	(1,826,876)
Total comprehensive loss for the year	-	(1,826,876)	(1,826,876)
Issue of share capital	1,800,000	-	1,800,000
Balance at 31 December 2012	**1,968,136**	**(4,028,387)**	**(2,060,251)**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	£	£
Cash flows from operating activities		
Loss before tax for the period	(2,026,662)	(1,826,876)
Adjustments for impairment	2,000,000	1,800,000
	(26,662)	(26,876)
Increase in other financial liabilities	26,662	26,876
Net cash from operating activities	-	-
Cash flows from investing activities		
Investment in subsidiary	(2,000,000)	(1,800,000)
Net cash used in investing activities	**(2,000,000)**	**(1,800,000)**
Cash flows from financing activities		
Issue of shares	2,000,000	1,800,000
Net cash from financing activities	**2,000,000**	**1,800,000**
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at 1 January	-	-
Cash and cash equivalents at 31 December	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. REPORTING ENTITY

Oakwood Homeloans Holdings Limited is a limited company incorporated and domiciled in the United Kingdom The Company's principal activity is to serve as an investment holding company

Pursuant to section 401 of the Companies Act, 2006, the Company is exempt from preparing and delivering group financial statements as the Company is a wholly owned indirect subsidiary of Credit Suisse Group AG, incorporated in Switzerland, which prepares consolidated financial statements This exemption has been taken for the first time this year, accordingly the comparative disclosures in the financial statements represent numbers of the separate financial statements

The Company's registered office is
The Old Sawmill
Broughton Hall Business Park
Broughton
Skipton
North Yorkshire
BD23 3AE
United Kingdom

2. SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The 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')

BASIS OF PREPARATION

The Financial Statements are presented in pounds sterling ('GBP') They are prepared on the historical cost basis

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 Critical accounting estimates and judgements applied to these Financial Statements are set out in Note 3 – Critical Accounting Estimates and Judgements in Applying Accounting policies

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

After making enquiries of Credit Suisse AG, the Directors of the Company have received confirmation that Credit Suisse AG will ensure that the Company maintains a sound financial position and is able to meet its debt obligations for the foreseeable future Accordingly the Directors have prepared these accounts on a going concern basis

STANDARDS AND INTERPRETATIONS

Standards and Interpretations effective in the current period

The Company has adopted the following amendments in the current year

Amendments to IAS 1 Presentation of Items of Other Comprehensive Income In June 2011, the IASB issued "Presentation of Items of Other Comprehensive Income" (Amendments to IAS 1) The amendments require entities to group together items within Other Comprehensive Income that will and will not subsequently be reclassified to the profit or loss section of the income statement The amendments also reaffirm existing requirements that items in Other Comprehensive Income and profit or loss should be presented as either a single statement or two consecutive statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2 SIGNIFICANT ACCOUNTING POLICIES (*continued*)

STANDARDS AND INTERPRETATIONS (*continued*)

Standards and Interpretations effective in the current period (*continued*)

The amendments impact presentation only, and therefore the adoption of the amendments on 1 January 2013 did not have an impact on the Company's financial position, results of operation or cash flows

IFRS 13 Fair Value Measurement In May 2011, the IASB issued IFRS 13 "Fair Value Measurement" (IFRS 13) IFRS 13 defines fair value, sets out a framework for measuring fair value and requires certain disclosures about fair value measurements IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements, except in specified circumstances In addition IFRS 13 replaces and expands the disclosure requirements about fair value measurements in other IFRSs Please refer to Note 14 for further information

IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities In December 2011, the IASB issued amendments to IFRS 7 "Disclosures – Offsetting Financial Assets and Financial Liabilities" (IFRS 7) The amendments require disclosures about the effect or potential effects of offsetting financial assets and financial liabilities and related arrangements on an entity's financial position The amendments to IFRS 7 relate to disclosure only and therefore did not have an impact on the Company's financial position, results of operation or cash flows

Annual Improvements to IFRS 2009-2011 Cycle In May 2012, The IASB issued "Annual Improvements to IFRSs 2009-2011 Cycle" (Improvements to IFRS), which contain numerous amendments to IFRS that the IASB considers non-urgent but necessary The Improvements to IFRS 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 standards The adoption of the Improvements to IFRS on 1 January 2013 did not have an impact on the Company's financial position, results of operation or cash flows

Standards and Interpretations endorsed by the EU and not yet effective

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

IFRS 12 Disclosures of Interests in Other Entities In May 2011, the IASB issued IFRS 12 "Disclosure of Interests in Other Entities" (IFRS 12) the effects of those interests on its financial position, financial performance and cash flows

IFRS 12 requires entities to disclose information that enables users of the financial statements to evaluate the nature of and any associated risks of its interests in other entities and IFRS 12 requires certain disclosures, for subsidiaries, joint arrangements and associates and introduces new requirements for unconsolidated structured entities IFRS 12 is effective for annual periods beginning on or after 1 January 2013, however, the EU requires adoption for annual periods beginning on or after 1 January 2014 As IFRS 12 requires disclosures only, the adoption thereof on 1 January 2014 did not have a material impact on the Company' financial position, results of operation or cash flows

IAS 32 Offsetting Financial Assets and Financial Liabilities In December 2011, the IASB issued amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities" (IAS 32) The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 'Financial Instruments – Presentation' The amendments are effective for annual periods beginning on or after 1 January 2014 The adoption of IAS 32 on 1 January 2014, did not have a material impact on the Company's financial position, results of operation or cash flows

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

STANDARDS AND INTERPRETATIONS *(continued)*

Standards and Interpretations endorsed by the EU and not yet effective *(continued)*
Transition guidance for IFRS 10, IFRS 11 and IFRS 12 In June 2012, the IASB issued "Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities, Transition Guidance" (Amendments to IFRS 10, IFRS 11 and IFRS 12) The amendments are intended to provide additional transition relief in IFRS 10, IFRS 11 and IFRS 12, by "limiting the requirement to provide adjusted comparative information to only the preceding comparative period" Also, amendments were made to IFRS 11 and IFRS 12 to eliminate the requirement to provide comparative information for periods prior to the immediately preceding period The Amendments to IFRS 10, IFRS 11 and IFRS 12 are effective for annual periods beginning on or after 1 January 2013 The Company has adopted the requirements of this amendment with the provisions of IFRS 10, IFRS 11 and IFRS 12 as at 1 January 2014 As the transition guidance is clarifications to IFRS 10,11,12, the impact is included in the adoption of the standards respectively

Standards and Interpretations not endorsed by the EU and not yet effective

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB but not yet effective and have not yet been endorsed by the EU

IFRS 9 Financial Instruments In November 2009 the IASB issued IFRS 9 "Financial Instruments" (IFRS 9) covering the classification and measurement of financial assets which introduces new requirements for classifying and measuring financial assets In October 2010, the IASB reissued IFRS 9, which incorporated new requirements on the accounting for financial liabilities IFRS 9 is effective for annual periods beginning on or after 1 January 2018 The Company is currently evaluating the impact of adopting IFRS 9

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) In October 2012, the IASB issued "Investment Entities Amendments to IFRS 10, IFRS 12 and IAS 27" (Investment Entities Amendment) Under IFRS 10, reporting entities were required to consolidate all investees they control, however the Investment Entities Amendment provides an exception and requires investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them

The Investment Entities Amendment sets out disclosure requirements for investment entities When endorsed the adoption of Investment Entities amendments will not have an impact on the Company's financial position, results of operation or cash flows

IFRIC 21 Levies In May 2013, the IASB issued "Levies" (IFRIC 21) The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 When endorsed the adoption of IFRIC 21 will not have a material impact on the Company's financial position, results of operation or cash flows

Annual Improvements to IFRSs 2010-2012 Cycle and 2011-2013 Cycle In December 2013, the IASB issued both "Annual Improvements to IFRSs Cycle 2010-2012" and "Annual Improvements to IFRSs Cycle 2011-2013" (Improvements to IFRSs), which contain numerous amendments to IFRS that the IASB considers non-urgent but necessary The Improvements to IFRSs are effective for annual periods beginning on or after 1 July 2014 The Company is currently evaluating the impact of adopting these Improvements to IFRSs

The accounting policies have been applied consistently

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the components of cash and amounts 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 held or utilised for the purpose of cash management This includes cash placed in interest bearing deposits with other Credit Suisse group entities for the purpose of liquidity management

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet

TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recorded at fair value and subsequently recorded at amortised cost, less provision for impairment A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables

INTEREST EXPENSE

Interest expense includes interest arising from the Company's long term liabilities Interest expense is accrued

TAXATION

Income tax on the profit or loss for the year comprises current and deferred tax

Tax is recognised in the Statement of Comprehensive Income 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 Statement of Comprehensive Income, the related income tax initially recognised in equity is also subsequently recognised in the Statement of Comprehensive Income

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 substantively enacted at the reporting date

For UK corporation tax purposes the Company may surrender or claim certain losses from another UK group company The surrendering company will be compensated in full for the value of the tax losses surrendered to the claimant company

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend arises Information as to the calculation of income tax recognised in Statement of Income for the periods presented is included in Note 10 Income Tax

TAX CONTINGENCIES

Significant judgement is required in determining the effective tax rate and in evaluating certain tax positions The Company 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 tax authority audits or when an event occurs that requires a change to the tax contingency accruals Management regularly assesses the appropriateness of provisions for income taxes

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

CONTINGENT LIABILITIES

Contingent liabilities are either possible obligations that arise from past events and whose 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 entity or are present obligations where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability A contingent liability is not recognised as a liability but is disclosed, unless the possibility is remote, except for those acquired under business combinations, which are recognised at fair value

Management make 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

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES.

In order to prepare the financial statements in accordance with IFRS, management is required to make certain accounting estimates to ascertain the value of assets and liabilities These estimates are based upon judgement and the information available at the time, and actual results may differ materially from these estimates Management believes that the estimates and assumptions used in determining the amount of impairment of investment in its subsidiary provided within the financial statements are prudent, reasonable and consistently applied

4. REVENUE

The Company earned no revenue in the year

5. INTEREST EXPENSES

	2013	2012
	£	£
Bank	19,057	26,876
Total	**19,057**	26,876

6. ADMINISTRATIVE EXPENSES

	2013	2012
	£	£
Other corporate expenses	7,605	-
Total	**7,605**	-

7 LOSS BEFORE TAXATION

	2013	2012
	£	£
Loss before taxation is stated after charging		
Auditior's remuneration for		
Audit of these financial statements	**6,338**	-

The above audit fee relates to the audit of Oakwood Homeloans Holdings Limited and is paid in full by the Company There were no other services provided to the Company by the auditor

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

8 RELATED PARTY TRANSACTIONS

The Company's immediate parent, which consolidates the results of the Company is Credit Suisse AG, and the ultimate parent company is Credit Suisse Group AG, both entities are incorporated in Switzerland Copies of the financial statements of the immediate parent company and the ultimate parent company can be obtained from Credit Suisse Group AG, Paradeplatz, PO Box 1, 8070 Zurich, Switzerland

a) Related party assets and liabilities
Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both

The definition of related parties includes parent company, ultimate parent company, subsidiary, associate, as well as the Company's key management, who are also directors of the Company

The Company enters into these transactions in the ordinary course of business and at arm's length

Assets	2013	2012
	£	£
Fellow Credit Suisse group companies		
Group relief receivable	6,199	-
Total assets	**6,199**	-

Liabilities	2013	2012
	£	£
Subsidiary		
Other financial liabilities	79,255	60,251
Parent		
Other financial liabilities	2,000,053	2,000,000
Total liabilities	**2,079,308**	**2,060,251**

Related party income statement	2013	2012
	£	£
Corporation tax group relief	6,199	-

b) 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 (2012 £ 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

c) Liabilities due to pension funds
The Company has no employees and therefore does not have any liabilities with regard to pension funds

9. EMPLOYEE INFORMATION

The Company had no employees during the year (2012 nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

10. TAXATION

a) Analysis of benefit in the year

	2013 £	2012 £
Tax benefit based on the loss for the year at a rate of 23 25% (2012 24 5%) is		
UK corporation tax	-	-
Current tax credit on loss in the year	**(6,199)**	-
Total tax benefit	**(6,199)**	-

b) Factors affecting tax benefit for the year *(continued)*

Tax credit for the year differs from the standard rate of corporation tax in the UK of 23 25% (2012 24 5%) The differences are explained below

	2013 £	2012 £
Loss on ordinary activities before taxation	(2,026,662)	(1,826,876)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23 25% (2012 24 5%)	**(471,199)**	(447,585)
Effects of		
Group relief surrendered for nil consideration	-	6,585
Non-deductible impairment	**465,000**	441,000
Current tax benefit for the year (note 10a)	**(6,199)**	-

c) Factors that may affect future tax (benefits) / charges

The UK corporation tax rate reduced from 24% to 23% effective from 1 April 2013 and reduced to 21% on 1 April 2014 A further reduction in UK corporation tax rate is scheduled to take effect from and 1 April 2015 (to 20%)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

11. INVESTMENT IN SUBSIDIARIES

Company	Shares in Group undertakings £
Cost	
At 1 January 2013	3,940,000
Additions	2,000,000
At 31 December 2013	5,940,000

Impairment	Shares in Group undertakings £
At 1 January 2013	(3,940,000)
Provided in the year	(2,000,000)
At 31 December 2013	(5,940,000)

Net Book Value	Shares in Group undertakings £
At 1 January 2013	-
At 31 December 2013	-

Details of the Company's wholly owned subsidiary undertaking, which is incorporated in England and Wales are set out below

Name and nature of the business	Class of shares held	Percentage of shares held
Oakwood Homeloans Limited Mortgage Company	Ordinary Shares	100%

12. GROUP RELIEF RECEIVABLE

	2013 £	2012 £
Group relief receivable	6,199	-
Total group relief receivable	6,199	-

13 OTHER FINANCIAL LIABILITIES

	2013 £	2012 £
Amounts due to third parties	7,605	-
Amounts due to subsidiary	79,255	60,251
Amounts due to Parent	2,000,053	2,000,000
Other financial liabilities	2,086,913	2,060,251

Amounts due to parent undertakings have no fixed date for repayment and are therefore technically repayable on demand They are accounted for as financial liabilities, measured at amortised cost and the fair value is not considered to be significantly different from the carrying value

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

14. CALLED UP SHARE CAPITAL

	2013 £	2012 £
Allotted, called-up and fully paid:		
75 'A' ordinary shares of £1 each	**75**	75
25 'B' ordinary shares of £1 each	**25**	25
3,968,036 'C' shares of £1 each	**3,968,036**	1,968,036
Total allotted, called-up and fully paid	**3,968,136**	1,968,136

'A' ordinary shares

The 'A' ordinary shares shall confer on the holders thereof, together with the holders of the 'C' ordinary shares as if they formed a single class, the right to receive any payment by way of dividend The 'A' ordinary shares shall entitle the holders thereof to receive notice of and vote at any general meeting of the Company, and those 'A' ordinary shares from time to time in issue shall in aggregate, and at all times, carry 51 % of the rights to vote attaching to the Company's voting share capital from time to time

In the event of a winding up of the Company or other return of capital, the assets available for distribution shall be distributed to the holders of the 'A' ordinary shares and the 'C' ordinary shares as if they formed a single class

'B' ordinary shares

The 'B' ordinary shares shall not carry any rights to participation in the profits or the assets of the Company

The 'B' ordinary shares shall entitle the holders thereof to receive notice of and attend and vote at any general meeting of the Company, and those 'B' ordinary shares from time to time in issue shall in aggregate, and at all times, carry 49% of the rights to vote attaching to the Company's voting share capital from time to time

'C' ordinary shares

The 'C' ordinary shares shall confer on the holders thereof, together with the holders of the 'A' ordinary shares as if they formed a single class, the right to receive any payment by way of dividend The 'C' ordinary shares shall entitle the holders thereof to receive notice of but not the right to attend and vote at any general meeting of the Company In the event of a winding up of the Company or other return of capital, the assets available for distribution shall be distributed to the holders of the 'A' ordinary shares and the 'C' ordinary shares as if they formed a single class

15. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Financial instruments comprise financial assets and financial liabilities The information presented herein represents estimates of financial assets and financial liabilities All non-financial instruments such as prepayments are excluded For interest bearing deposits, trade and other receivables and trade and other payables, fair value is assumed to approximate to book value, given the short nature of these financial instruments

The table below analyses financial instruments by valuation method The different levels in the fair value hierarchy in which fair value measurements are categorised for financial assets and liabilities have been defined as follows

Level 1 Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company 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 as 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)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

15 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (continued)

2013

	Carrying Amount (£)		Fair Value (£)			
	Loans and receivables	Other financial assets/ liabilities	Level 1	Level 2	Level 3	Total
Financial assets						
Investments	-	-	-	-	-	-
Group relief receivable	6,199	-	-	6,199	-	6,199
Total	**6,199**	**-**	**-**	**6,199**	**-**	**6,199**
Financial liabilities						
Trade and other payables	-	86,860	-	86,860	-	86,860
Other liabilities	-	2,000,053	-	2,000,053	-	2,000,053
Total	**-**	**2,086,913**	**-**	**2,086,913**	**-**	**2,086,913**

2012

	Carrying Amount (£)		Fair Value (£)			
	Loans and receivables	Other financial assets/ liabilities	Level 1	Level 2	Level 3	Total
Financial assets						
Investments	-	-	-	-	-	-
Total	-	-	-	-	-	-
Financial liabilities						
Trade and other payables	-	60,251	-	60,251	-	60,251
Other liabilities	-	2,000,000	-	2,000,000	-	2,000,000
Total	**-**	**2,060,251**	**-**	**2,060,251**	**-**	**2,060,251**

16. FINANCIAL RISKS

The Company's investment holding activities expose it to a variety of financial risks which are categorised as follows

- Liquidity risk
- Credit risk
- Market risk
- Interest rate risk

Liquidity risk
Liquidity risk is the risk that a company is unable to fund assets to meet obligations as they fall due under both normal and stressed market conditions The Company has limited liquidity risk The Company only has one major asset type, which is its investment in its subsidiary and it has no major liabilities to fund (either on or off balance sheet)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

16. FINANCIAL RISKS *(continued)*

Liquidity risk *(continued)*

The Company's liquidity risk management is fully integrated with management of liquidity globally in the Credit Suisse Group and documented in the global Liquidity Policy and Investment of Excess Funds Policy

The table below shows the maturity of financial liabilities the Company is exposed to, and the undiscounted contractual maturity of the liabilities it faces

2013

	Not later than one month	Over one month but not more than 3 months	Over 3 months but not more than 1 year	Due between 1 and 5 Years	Due after 5 years	Total
	£	£	£	£	£	£
Accruals	-	-	7,605	-	-	7,605
Other financials liabilities	-	-	-	-	2,079,308	2,079,308
Total financial liabilities	**-**	**-**	**7,605**	**-**	**2,079,308**	**2,086,913**

2012

	Not later than one month	Over one month but not more than 3 months	Over 3 months but not more than 1 year	Due between 1 and 5 Years	Due after 5 years	Total
	£	£	£	£	£	£
Other financial liabilities	-	-	-	-	2,060,251	2,060,251
Total financial liabilities	**-**	**-**	**-**	**-**	**2,060,251**	**2,060,251**

The Company does not hold any investments other than its investment in its subsidiary company, interest rate risk is limited

Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Company's interest bearing financial assets and liabilities As A change of 50 basis points in interest rates at the year end would have increased/(decreased) the Company's, equity and profit or loss by £7,979/ (£7,979) (2012 £7,777 / (£7,777)) This calculation assumed that the change occurred at the year end and had been applied to risk exposures existing at that date and is stated net of income tax assuming the corporation tax rate applicable during the year of 23 25% (2012 24 5%)

The directors consider that the carrying value of financial liabilities approximates to their fair value

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's market counterparties fail to fulfil their contractual obligations to the Company The Company has no trade receivables and therefore credit risk is not present

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

16. FINANCIAL RISKS *(continued)*

Market risk
Market risk is the risk that the Company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates and foreign exchange rates The Company has minimal direct market risk The Company is not affected by the movement of foreign exchange rates because its activities are all in GBP

17. CAPITAL MANAGEMENT

The capital of the Company is represented by 3,968,136 ordinary shares (2012 1,968,136 ordinary shares)

The capital balances are monitored on a monthly basis by the directors of the Company Funding is provided when necessary to meet capital requirements and is approved by the Credit Suisse group Treasury Department

The Board of Directors monitor the capital base and the return of capital to investors

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

18. SUBSEQUENT EVENTS

There are no subsequent events to be reported