

**MBAM Investor Limited**

**Annual report and financial statements  
for the year ended 30 November 2022**



**MBAM Investor Limited**

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## **MBAM Investor Limited**

### **Company information**

<b>Directors</b>	R Harper S Ross
<b>Registered number</b>	05349993
<b>Registered office</b>	1 Chamberlain Square CS Birmingham United Kingdom B3 3AX
<b>Auditor</b>	Mercer & Hole LLP 21 Lombard Street London EC3V 9AH

## **MBAM Investor Limited**

### **Strategic report for the year ended 30 November 2022**

The directors present the Strategic report for the year ended 30 November 2022.

#### **Review of business**

The ultimate parent undertaking of the company, LBHI, incorporated in the State of Delaware in the United States of America, filed for Chapter 11 bankruptcy protection on 15 September 2008. Subsequent to this event, the immediate parent undertaking of the company, LBH, went into administration on 15 September 2008. On 6 December 2011, the United States Bankruptcy Court for the Southern District of New York confirmed the modified Third Amended Joint Chapter 11 Plan for LBHI and its Affiliated Debtors and on 6 March 2012, the "Effective Date" occurred. As a result of the effectiveness of the Plan, LBHI and its Affiliated Debtors have emerged from bankruptcy.

In 2011, further to the Lehman Brothers' settlement agreement, the company agreed certain claims with Lehman Brothers Holdings Inc. ("LBHI") in respect of the intercompany balance owed to the company by Lehman Brothers Holdings Plc (in administration) ("LBH") which was guaranteed by LBHI and a general intercompany balance owed to the company by LBHI. The claims were agreed at \$46,568,411 and \$1,214,694 respectively.

On 26 November 2019 the direct claim amount on the general intercompany balance was sold.

In November 2015, LBH admitted the claim from the company at £51,924,414.70. This claim was settled in full during 2019. On 16 February 2021, the company received £13,837,376 of statutory interest from LBH and paid an interim dividend of £16,000,113. On 8 April 2022, the company received a further £3,089,833 of statutory interest from LBH.

In 2019, LBHI initiated legal proceedings against certain companies within the Lehman Brothers' group (including the company) asserting a breach of contract claim against each entity pursuant to a clawback provision in the Lehman Brothers' settlement agreement between the parties. As a precaution, the directors made a provision for the amount that may become due as a result of these proceedings.

In January 2020, LBHI and the Lehman Brothers' companies against whom the proceedings were initiated reached a settlement of the litigation proceedings. The settlement contemplated LBHI receiving \$13,000,000 from the company (amongst others). The company paid this settlement amount to LBHI in January 2021.

The guarantee claim has now been settled in full.

The directors have considered the factors discussed above and have resolved that they do not consider the company to be a going concern. These financial statements have therefore been prepared on a break-up basis.

#### **Principal risks and uncertainties**

##### **Liquidity risks and cash flow**

The company actively monitors its liquidity and cash flow position to ensure it has sufficient cash in order to fund its activities.

## **MBAM Investor Limited**

### **Strategic report (continued) for the year ended 30 November 2022**

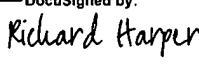
#### **Key performance indicators**

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

#### **Future developments**

The directors do not intend to reinvest the company's assets in new ventures and the intention is that the company will be placed into liquidation in the future though the timing of this is uncertain. Any remaining assets at that time will be distributed to the shareholder.

On behalf of the board,

DocuSigned by:  
  
6A032CEF71C3443...  
**R Harper**  
**Director**

Date: 29/8/2023

## **MBAM Investor Limited**

### **Directors' report for the year ended 30 November 2022**

The directors present their report and the financial statements for the year ended 30 November 2022.

#### **Principal activities**

The principal activity of the company was that of an investment company.

#### **Directors**

The directors who held office during the year and to the date of signature of the financial statements, were as follows:

R Harper  
S Ross

#### **Results and dividends**

The company's results for the financial year are set out in the statement of comprehensive income on page 9.

During the year, the company proposed and paid dividends amounting to £Nil (2021: £16,000,113).

#### **Future developments**

An indication of the likely future developments of the company is provided in the Strategic report.

#### **Qualifying third party indemnity provisions**

A qualifying third party indemnity provision as defined in Section 232(2) of the Companies Act 2006 is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. The liability and indemnity insurance was still in place at the date of signing this report.

## **MBAM Investor Limited**

### **Directors' report (continued) for the year ended 30 November 2022**

#### **Statement of directors' responsibilities**

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). Under company law the directors must not approve the financial statements unless 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1.2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### **Auditor**

The company's auditor, Mercer & Hole, incorporated on 1 October 2022 to become Mercer & Hole LLP. The directors have consented to treating the incorporation of Mercer & Hole LLP as a continuation of the existing audit arrangement and in accordance with the company's articles, a resolution proposing that Mercer & Hole LLP be reappointed as auditor of the company will be put at a General Meeting.

On behalf of the board,

DocuSigned by:  
  
6A032CEF71C3443...  
**R Harper**  
**Director**

Date: 29/8/2023

## **Independent auditor's report to the members of MBAM Investor Limited**

### **Opinion**

We have audited the financial statements of MBAM Investor Limited (the 'company') for the year ended 30 November 2022, which comprise statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter - financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 to the financial statements. In their assessment of going concern, the directors have concluded that the company no longer has a trade and the financial statements have therefore been prepared on a basis other than a going concern.

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **Independent auditor's report to the members of MBAM Investor Limited (continued)**

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Independent auditor's report to the members of MBAM Investor Limited (continued)**

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate interest receivable or understate provisions and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

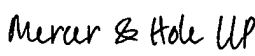
- discussions with management, including considerations of known or suspected instances of noncompliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state 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.

DocuSigned by:  
  
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**Andrew Crook BA ACA (Senior Statutory Auditor)  
for and on behalf of Mercer & Hole LLP  
Chartered Accountants  
Statutory Auditor**

21 Lombard Street  
London  
EC3V 9AH  
Date: 29/8/2023

## MBAM Investor Limited

### Statement of comprehensive income for the year ended 30 November 2022

	Note	2022 £	2021 £
Operating expenses		(41,321)	(373,437)
<b>Operating loss</b>	3	<b>(41,321)</b>	<b>(373,437)</b>
Interest receivable and similar income	5	64	16,929,969
<b>(Loss)/profit before tax</b>		<b>(41,257)</b>	<b>16,556,532</b>
Tax on (loss)/profit	6	-	(3,041,713)
<b>Total comprehensive (expense)/income for the year</b>		<b>(41,257)</b>	<b>13,514,819</b>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

**MBAM Investor Limited**

Registered number: 05349993

**Balance sheet  
as at 30 November 2022**

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	-	3,089,833
Cash at bank and in hand		6,214,913	4,169,928
		<u>6,214,913</u>	<u>7,259,761</u>
Creditors: amounts falling due within one year	8	(2,159,166)	(3,162,757)
<b>Net current assets</b>		<u>4,055,747</u>	<u>4,097,004</u>
<b>Net assets</b>		<u>4,055,747</u>	<u>4,097,004</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss reserves		4,055,746	4,097,003
<b>Total equity</b>		<u>4,055,747</u>	<u>4,097,004</u>

The notes on pages 13 to 19 form part of these financial statements.

The financial statements were approved by the board of directors and authorised on  
29/8/2023 and are signed on its behalf by:

DocuSigned by:  
  
 6A032CEF71C3443...  
**R Harper**  
 Director

**MBAM Investor Limited****Statement of changes in equity  
for the year ended 30 November 2022**

	<b>Called up share capital</b>	<b>Profit and loss reserves</b>	<b>Total equity</b>
	£	£	£
At 1 December 2021	1	4,097,003	4,097,004
Loss for the financial year	-	(41,257)	(41,257)
<b>At 30 November 2022</b>	<b>1</b>	<b>4,055,746</b>	<b>4,055,747</b>

**Statement of changes in equity  
for the year ended 30 November 2021**

	<b>Called up share capital</b>	<b>Profit and loss reserves</b>	<b>Total equity</b>
	£	£	£
At 1 December 2020	1	6,582,297	6,582,298
Profit for the financial year	-	13,514,819	13,514,819
Dividends paid	-	(16,000,113)	(16,000,113)
<b>At 30 November 2021</b>	<b>1</b>	<b>4,097,003</b>	<b>4,097,004</b>

The notes on pages 13 to 19 form part of these financial statements.

## MBAM Investor Limited

### Statement of cash flows for the year ended 30 November 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(41,257)	13,514,819
<b>Adjustments for:</b>		
Interest receivable	(64)	(16,929,969)
Taxation charge	-	3,041,713
Decrease in creditors	(3,591)	(864)
Decrease in provisions	-	(9,735,640)
<b>Net cash generated used in operating activities</b>	<b>(44,912)</b>	<b>(10,109,941)</b>
<b>Cash flows from investing activities</b>		
Interest received	3,089,897	13,840,136
Corporation tax paid	(1,000,000)	-
<b>Net cash generated from investing activities</b>	<b>2,089,897</b>	<b>13,840,136</b>
<b>Cash flows from financing activities</b>		
Dividends paid	-	(16,000,113)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(16,000,113)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>2,044,985</b>	<b>(12,269,918)</b>
Cash and cash equivalents at beginning of year	4,169,928	16,439,846
<b>Cash and cash equivalents at the end of year</b>	<b>6,214,913</b>	<b>4,169,928</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	6,214,913	4,169,928

## **MBAM Investor Limited**

### **Notes to the financial statements for the year ended 30 November 2022**

#### **1. Accounting policies**

##### **Company information**

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1 Chamberlain Square CS, Birmingham, United Kingdom, B3 3AX.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

The directors have considered the factors discussed in the Strategic Report and have resolved that they do not consider the company to be a going concern. These financial statements have therefore been prepared on a break-up basis.

##### **1.3 Interest receivable and similar income**

Interest income is recognised using the effective interest method.

##### **1.4 Interest payable and similar charges**

Interest payable to group undertakings is recognised on an accruals basis.

##### **1.5 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## **MBAM Investor Limited**

### **Notes to the financial statements for the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **1.6 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through the statement of comprehensive income, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.



## **MBAM Investor Limited**

### **Notes to the financial statements for the year ended 30 November 2022**

#### **1. Accounting policies (continued)**

##### **1.7 Equity instruments**

Equity instruments issued by the company are recorded as the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **1.8 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

###### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences in the company's taxable profit and its results as stated in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profit from which the underlying timing differences can be deducted.

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

##### **1.9 Related party transactions**

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

##### **1.10 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end dates. Gains and losses arising on translation are included in the statement of comprehensive income for the period.

##### **1.11 Distributions to equity holders**

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

## MBAM Investor Limited

### Notes to the financial statements for the year ended 30 November 2022

#### 2. Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### Critical judgements in applying the company's accounting policies

The critical judgements the directors have made in the process of applying the company's accounting policies and that the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

#### Assessing going concern

The financial statements have not been prepared on a going concern basis. The factors discussed in the Strategic report regarding the insolvency of the parent company indicate a material uncertainty concerning the company's future. The wind-down of the parent company will ultimately result in the company being placed into liquidation in the future though the timing on this is uncertain.

#### 3. Operating loss

Operating loss for the year is stated after charging:

	2022	2021
	£	£
Foreign exchange losses	-	178,620
Fees payable to the company's auditor for the audit of the company's financial statements	5,750	5,675
	<u>5,750</u>	<u>5,675</u>

#### 4. Employees and directors

##### Employees

The company had no employees during the year (2021: nil).

##### Directors

The directors of the company during the year were also directors of LB SF Warehouse Limited in whose financial statements the information required by the Companies Act 2006 as regards directors emoluments will be given.

## MBAM Investor Limited

### Notes to the financial statements for the year ended 30 November 2022

#### 5. Interest receivable and similar income

	2022 £	2021 £
Bank interest	64	2,760
Interest receivable from group undertakings	-	16,927,209
	<u>64</u>	<u>16,929,969</u>

#### 6. Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK Corporation tax on (losses)/profit for the year	-	3,145,741
Adjustments in respect of previous periods	-	(104,028)
<b>Total current tax</b>	<u>-</u>	<u>3,041,713</u>

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
(Loss)/profit before taxation	<u>(41,257)</u>	<u>16,556,532</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(7,839)	3,145,741
<b>Effects of:</b>		
Tax losses carried forward but not utilised	7,839	-
Group relief reversal	-	(104,028)
<b>Total tax charge for the year</b>	<u>-</u>	<u>3,041,713</u>

#### Factors affecting future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

## MBAM Investor Limited

### Notes to the financial statements for the year ended 30 November 2022

#### 7. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	-	3,089,833

Amounts owed by group undertakings represents statutory interest from LBH received on 8 April 2022.

#### 8. Creditors: amounts falling due within one year

	2022 £	2021 £
Corporation tax	2,145,741	3,145,741
Accruals and deferred income	13,425	17,016
	<u>2,159,166</u>	<u>3,162,757</u>

#### 9. Deferred taxation

Losses of £982,682 (2021: £941,425) resulting in a deferred tax asset of £245,670 (2021: £253,356) have not been recognised. The deferred tax asset has not been recognised due to the uncertainty surrounding the company's future profitability.

#### 10. Called up share capital

	2022 £	2021 £
Ordinary share capital issued and fully paid		
1 (2021: 1) ordinary shares of £1 each	1	1

#### 11. Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102, not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

## **MBAM Investor Limited**

### **Notes to the financial statements for the year ended 30 November 2022**

#### **12. Controlling party**

The immediate parent company Lehman Brothers Holdings Plc. went into administration on 15 September 2008.

The ultimate parent company of the company, Lehman Brothers Holdings Inc., is incorporated in the State of Delaware in the United States of America.

The ultimate parent undertaking of the company, Lehman Brothers Holdings Inc., incorporated in the State of Delaware in the United States of America, filed for Chapter 11 bankruptcy protection on 15 September 2008. Subsequent to this event, the immediate parent undertaking of the company, Lehman Brothers Holdings Plc, went into administration on 15 September 2008. On 6 December 2011, the Amended Joint Chapter 11 Plan for Lehman Brothers Holdings Inc. and its Affiliated Debtors and on 6 March 2012, the "Effective Date" occurred. As a result of the effectiveness of the Plan, Lehman Brothers Holdings Inc. and its Affiliated Debtors have emerged from bankruptcy.

No member of the immediate parent undertaking or ultimate parent company group produces consolidated financial statements.