

MOUNT STREET HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

FRIDAY



A9G9TGHU

A14

23/10/2020

#385

COMPANIES HOUSE

MOUNT STREET HOLDINGS LIMITED

COMPANY INFORMATION

Directors	R. J. Joseph P. D. Lloyd
Registered number	10582880
Registered office	10 Queen Street Place London EC4R 1AG
Independent Auditors	Ernst & Young LLP, Statutory Auditor Bristol

MOUNT STREET HOLDINGS LIMITED

CONTENTS

	Page
Directors' Report	1 - 3
Independent Auditor's Report	4 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9 - 10
Notes to the Financial Statements	11 - 16

MOUNT STREET HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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.

Results and dividends

The profit for the year, after taxation, amounted to £Nil (2018: £Nil).

During the period ended 31 December 2019 no dividend was declared (2018: £Nil).

Directors

The directors who served during the year were:

R. J. Joseph
P. D. Lloyd

MOUNT STREET HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Principal risks and uncertainties

The Group's activities involve, to varying degrees, the measurement, evaluation, acceptance and management of risk or combinations of risks.

The Company manages risk in accordance with defined policies and procedures. Risk identified by the board include credit risk, liquidity, operational risks and risk of litigation. The board manages risk through a combination of best practice procedures, on-going staff training, insurance, regular internal and external process audit, strict reporting guidelines, clear escalation procedures and strong corporate governance.

COVID-19

As the Company acts as a holding company only, it has assessed the impact of COVID-19 on the Company to be minimal. Management have therefore further assessed the impact on the wider Group.

Financial performance – Management believes there are some fundamental features of the business which give it resilience to potential downside risks:

- The group has a sticky client base consisting of a diverse range of blue-chip banks, funds and asset managers that are geographically dispersed across more than 40 countries.
- The group has approximately 78% of contracted revenues as at December 2019 with no material impact on related cash flows.
- Group revenues are derived from a diverse range of sectors, services and geographic locations. In certain instances revenues are somewhat naturally hedged due to their counter-cyclical nature whereby the slowdown in revenues from the performing sector leads to an uptick in non-performing activities.

Business continuity plan ("BCP") – The Company has in place a fully tested and documented BCP allowing all staff to work remotely. The Company has imposed business travel restrictions as well as encouraged the use of alternative IT solutions such as collaboration hubs and video/telephone calls rather than physical meetings.

Going concern

The accounts have been prepared on a going concern basis, as in the opinion of the directors it is appropriate to assume that the company will continue to receive support from its parent company for a period in excess of twelve months from the date of approval of these financial statements. The company is dormant and is subsequently unaffected by the COVID-19 pandemic which has been a major event in the UK economy since the year end.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

On 11 March, the WHO declared the COVID-19 outbreak a pandemic with the UK government imposing a lockdown shortly afterwards with *non-essential travel and most businesses closed*. The company is dormant and so unaffected by the pandemic since the year end. The directors are continuously monitoring the effect on the business. The Company has assessed the impact of COVID-19 on the carrying values of investments and determined that there has been no impairment to these balances post year end.

MOUNT STREET HOLDINGS LIMITED

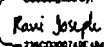
**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Auditors

The auditors, Ernst & Young LLP, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on September 28, 2020

and signed on its behalf.

Digitally signed by:

226C0000740C 004

R. J. Joseph
Director

MOUNT STREET HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT STREET HOLDINGS LIMITED

Opinion

We have audited the financial statements of Mount Street Holdings Limited ('the Company') for the year ended 31 December 2019, which comprise The Statement of Comprehensive Income, The Statement of Financial Position, The Statement of Changes in Equity and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the Companies Act 2006 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 company's affairs as at 31 December 2019 and of its result 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 below. 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 – Effects of COVID-19

We draw attention to note 2.3, which describes the economic and social consequences the company is facing as a result of COVID-19. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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

MOUNT STREET HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT STREET HOLDINGS LIMITED

knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

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

MOUNT STREET HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT STREET HOLDINGS LIMITED

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 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.

Ernst & Young LLP

John Howarth (Senior statutory

for and on behalf of

Ernst & Young LLP, Statutory Auditor

Bristol

Date: September 28, 2020

MOUNT STREET HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit nor loss.

MOUNT STREET HOLDINGS LIMITED
REGISTERED NUMBER: 10582880

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	5	200,200	200
		<u>200,200</u>	<u>200</u>
Current assets			
Debtors: amounts falling due within one year	6	4,239,907	4,039,907
		<u>4,239,907</u>	<u>4,039,907</u>
Creditors: amounts falling due within one year	7	(4,239,907)	(4,039,907)
		<u>-</u>	<u>-</u>
Net current assets		-	-
Total assets less current liabilities		<u>200,200</u>	<u>200</u>
Net assets		<u>200,200</u>	<u>200</u>
Capital and reserves			
Called up share capital	9	200,200	200
		<u>200,200</u>	<u>200</u>

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

Despatched by: September 28, 2020

Ravi Joseph
 128002007-010404

R. J. Joseph
 Director

The notes on pages 11 to 16 form part of these financial statements.

MOUNT STREET HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Total equity
	£	£
At 1 January 2019	200	200
Total comprehensive income for the year	-	-
Shares issued during the year	200,000	200,000
At 31 December 2019	200,200	200,200

The notes on pages 11 to 16 form part of these financial statements.

MOUNT STREET HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Total equity
	£	£
At 1 January 2018	200	200
Total comprehensive income for the period	-	-
At 31 December 2018	200	200

The notes on pages 11 to 16 form part of these financial statements.

MOUNT STREET HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Mount Street Holdings Limited is a limited liability private company incorporated in England on 25 January 2017. The registered office is 10 Queen Street Place, London, EC4R 1AG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further information regarding the Company's business activities, together with the factors likely to affect its future development, performance and position is set out in the directors' report.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Mount Street Group Limited as at 31 December 2019 and these financial statements may be obtained from Companies House.

2.3 Going concern

The accounts have been prepared on a going concern basis, as in the opinion of the directors it is appropriate to assume that the company will continue to receive support from its parent company for a period in excess of twelve months from the date of approval of these financial statements. The company is dormant and is subsequently unaffected by the COVID-19 pandemic which has been a major event in the UK economy since the year end.

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Auditors' remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for audit services as these are disclosed in the group accounts of the parent Company.

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £Nil).

Remuneration paid to directors is borne by another group company, the services provided by the directors to the company are so incidental that no remuneration is allocated to Mount Street Holdings Limited.

5. Investments

	Investments in subsidiary companies £
Cost	
At 1 January 2019	200
Additions	200,000
At 31 December 2019	<u>200,200</u>

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. Investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
<i>Mount Street Global Limited</i>	Ordinary	100%
Mount Street Technologies Holdings Limited	Ordinary	100%
Mount Street Technologies Limited	Ordinary	100%
Mount Street Portfolio Management Limited	Ordinary	100%
MSLS Holdco UK Limited	Ordinary	100%
Mount Street Loan Solutions LLP	Ordinary	100%
Mount Street Mortgage Servicing Limited	Ordinary	100%
Mount Street Australia Pty Ltd	Ordinary	100%
MS US Holdings Inc.	Ordinary	100%
Mount Street US Group LLP	N/A	100%
Mount Street US Holdings LLP	N/A	100%
Mount Street US LLP	N/A	100%
Mount Street US (Georgia) LLP	N/A	100%
Mount Street Hibernia Holdco Limited	Ordinary	100%
Mount Street Hibernia Servicing Limited	Ordinary	100%
Mount Street Servicing GmbH	Ordinary	100%
MSH TopCo Limited	Ordinary	100%
Mount Street Hellas Holdings Limited	Ordinary	100%
Mount Street Hellas Investments Limited	Ordinary	100%
Mount Street Hellas Holdco Limited	Ordinary	100%
Mount Street Hellas Advisory Limited	Ordinary	100%
<i>Mount Street Hellas S.A.</i>	Ordinary	100%
MSMS Nominee 1 Limited	Ordinary	100%
Mount Street Financial Services Limited	Ordinary	100%
Mount Street Portfolio Advisers GmbH	Ordinary	100%
Mount Street Portfolio Advisers LLC	N/A	100%

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Debtors

	2019 £	2018 £
Amounts owed by group undertakings	4,239,907	4,039,907
	<u>4,239,907</u>	<u>4,039,907</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	4,239,907	4,039,907
	<u>4,239,907</u>	<u>4,039,907</u>

Amounts owed to group undertakings are non-interest bearing and payable on demand.

8. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>4,239,907</u>	<u>4,039,907</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>4,239,907</u>	<u>4,039,907</u>

Financial assets measured at amortised cost comprise amounts owed from group undertakings.

Financial liabilities measured at amortised cost comprise amounts due to group undertakings.

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
200,200 (2018 - 200) Ordinary shares of £1.00 each	<u>200,200</u>	<u>200</u>

On 23 December 2019, 200,000 Ordinary shares of £1 were issued at par.

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Related party transactions

The company has taken advantage of the exemption provided by paragraphs 1.12 and 33.1A FRS 102, not to disclose any transactions with entities that are included in the consolidated financial statements of Mount Street Group Limited.

11. Ultimate parent undertaking and controlling party

The parent undertaking is Mount Street Group Limited which prepare consolidated financial statements in which the results of Mount Street Holdings Limited are contained. The Company is registered in the United Kingdom with registered office 10 Queen Street Place, London EC4R 1AG. Its financial statements are available from Companies House.

The ultimate controlling party is R. J. Joseph, a director of Mount Street Group Limited.

12. Post balance sheet events

On 11 March, the WHO declared the COVID-19 outbreak a pandemic with the UK government imposing a lockdown shortly afterwards with non-essential travel and most businesses closed. The company is dormant and so unaffected by the pandemic since the year end. The directors are continuously monitoring the effect on the business. The Company has assessed the impact of COVID-19 on the carrying values of investments and determined that there has been no impairment to these balances post year end.