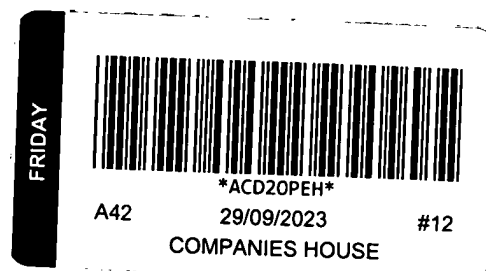


MOUNT STREET HOLDINGS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



MOUNT STREET HOLDINGS LIMITED

COMPANY INFORMATION

Directors R. J. Joseph (resigned 11 September 2023)
P. D. Lloyd

Registered number 10582880

Registered office 10 Queen Street Place
London
EC4R 1AG

MOUNT STREET HOLDINGS LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5 - 6
Notes to the Financial Statements	7 - 13

MOUNT STREET HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

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 (2021 - £NIL).

During the period ended 31 December 2022 no dividend was declared (2021: £NIL).

Directors

The directors who served during the year were:

R. J. Joseph (resigned 11 September 2023)
P. D. Lloyd

MOUNT STREET HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.

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 12 months from the date of approval of these financial statements.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on 26-Sep-23 | 13:12 BST and signed on its behalf.



P. D. Lloyd
Director

MOUNT STREET HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	4	200,200	200,200
		<u>200,200</u>	<u>200,200</u>
Current assets			
Debtors: amounts falling due within one year	5	4,259,660	4,259,660
		<u>4,259,660</u>	<u>4,259,660</u>
Creditors: amounts falling due within one year	6	(4,039,907)	(4,039,907)
		<u>(4,039,907)</u>	<u>(4,039,907)</u>
Net current assets		219,753	219,753
Total assets less current liabilities		<u>419,953</u>	<u>419,953</u>
Net assets		<u>419,953</u>	<u>419,953</u>
Capital and reserves			
Called up share capital	8	419,953	419,953
		<u>419,953</u>	<u>419,953</u>

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26-Sep-23 | 13:12 BST



P. D. Lloyd
 Director

The notes on pages 7 to 13 form part of these financial statements.

MOUNT STREET HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Total equity £
At 1 January 2022	419,953	419,953
Total comprehensive income for the year	-	-
At 31 December 2022	419,953	419,953

The notes on pages 7 to 13 form part of these financial statements.

MOUNT STREET HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Total equity
	£	£
At 1 January 2021	419,950	419,950
Total comprehensive income for the period	-	-
Contributions by and distributions to owners		
Shares issued during the year	3	3
Total transactions with owners	3	3
At 31 December 2021	419,953	419,953

The notes on pages 7 to 13 form part of these financial statements.

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 2022 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 12 months from the date of approval of these financial statements.

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Statement of Financial Position 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.8 Financial instruments (continued)**

present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.8 Financial instruments (continued)**

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2021 - £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.

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Investments

	Investments in subsidiary companies £
Cost	
At 1 January 2022	200,200
At 31 December 2022	<u>200,200</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Mount Street Global Limited	Ordinary - Direct	100%
Mount Street MS Services Limited	Ordinary	100%
Mount Street Technologies Holdings Limited	Ordinary	100%
Mount Street Technologies Limited	Ordinary	100%
Mount Street Portfolio Management 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	50.1%
Mount Street US LLP	N/A	50.1%
Mount Street US (Georgia) LLP	N/A	50.1%
Mount Street Hibernia Holdco Limited	Ordinary	50.1%
Mount Street Hibernia Servicing Limited	Ordinary	100%
Mount Street Servicing GmbH	Ordinary	100%
MSMS Nominee 1 Limited	Ordinary	100%
Mount Street Portfolio Advisers GmbH	Ordinary	100%
Mount Street Portfolio Advisers LLC	N/A	100%

The following was an indirect associate of the Company:

Mount Street US (Kansas) LLP registered in the United States.

5. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	4,259,660	4,259,660
	<u>4,259,660</u>	<u>4,259,660</u>

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	4,039,907	4,039,907
	<u>4,039,907</u>	<u>4,039,907</u>

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

7. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>4,259,660</u>	<u>4,259,660</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>4,039,907</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.

8. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
200,200 (2021 - 200,200) Ordinary shares of £1.00 each	200,200	200,200
90,000 (2021 - 90,000) Ordinary B shares of £1.00 each	90,000	90,000
31,500 (2021 - 31,500) Ordinary C shares of £1.00 each	31,500	31,500
98,250 (2021 - 98,250) Ordinary D shares of £1.00 each	98,250	98,250
100 (2021 - 100) Ordinary E shares of £0.01 each	1	1
100 (2021 - 100) Ordinary F shares of £0.01 each	1	1
100 (2021 - 100) Ordinary G shares of £0.01 each	1	1
	<u>419,953</u>	<u>419,953</u>

MOUNT STREET HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. 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.

10. Ultimate parent undertaking and controlling party

The parent undertaking is Mount Street Group Limited which prepares consolidated financial statements in which the results of Mount Street Holdings Limited are contained. The Group 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 directors consider there to be no controlling party.

11. Post balance sheet events

There have been no significant events affecting the Company since the year end.