

MF GLOBAL HOLDINGS EUROPE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Company Number: 02225802



MF GLOBAL HOLDINGS EUROPE LIMITED (Co. number: 02225802)

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2020

The director presents her report and the unaudited financial statements of MF Global Holdings Europe Limited for the year ended 31 March 2020. The sole director throughout the period was L F Podolsky.

Principal activities

At the reporting date, there was no significant change in the principal activity of the Company, which is an investment holding company.

Results

During the year under review, the Company made a profit after taxation of \$nil (2019: \$nil) and, at the year end, the company's current assets were \$nil. Given that there have been no transactions in the years ended 31 March 2020 or 31 March 2019, no Statement of Comprehensive Income has been disclosed.

Review of business

During the year, the Company continued to act as an investment holding company and was a wholly owned subsidiary of MF Global Holdings Ltd.

Statement on going concern

Given that the Company's ultimate parent undertaking, MF Global Holdings Ltd., filed for Chapter 11 Bankruptcy protection in the United States of America and is currently fulfilling its duties under a plan of liquidation and MF Global UK Limited, the principal operating subsidiary of the Company was placed into special administration on 31 October 2011, the Company's investments in subsidiaries and affiliate receivables are deemed impaired and accordingly these have been written down to \$nil. The Company has asserted certain, and will, if appropriate, assert additional, claims to recover the full value in these investments in subsidiaries and affiliate receivables, however, the amount that may be recovered is uncertain. It is uncertain whether the Company has adequate resources to continue in operational existence for the foreseeable future, given the Company's parent is currently fulfilling its duties under a plan of liquidation and its principal subsidiary entered into special administration. As a result, and in accordance with the Company Law and advice from accounting professionals, the director has been advised that the going concern basis of accounting is no longer appropriate for the preparation of the Company's annual financial statements.

Future developments

The Company continues to operate as an investment holding company. However, on 31 October 2011, the Company's ultimate parent undertaking, MF Global Holdings Ltd., filed for Chapter 11 Bankruptcy protection in the United States of America and is currently fulfilling its duties under a plan of liquidation. On 31 October 2011, MF Global UK Limited, the principal operating subsidiary of the Company was placed into special administration with KPMG LLP appointed as special administrators. Given these events, the director is uncertain as to how much longer the Company will continue to operate.

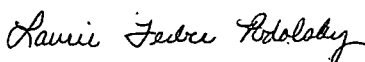
Dividends

During the year ended 31 March 2020, the directors declared and paid interim dividends of \$nil on the ordinary shares (interim and final dividend 2019: \$nil).

Small Company Exemptions

In preparing this report advantage has been taken of the special provisions of section 415A of the Companies Act 2006 applicable to small companies on the ground that the director believes that the Company is a small company.

Approved by the sole director



L F Podolsky
Director

March 26, 2021

MF GLOBAL HOLDINGS EUROPE LIMITED (Co. number: 02225802)

STATEMENT OF DIRECTOR'S RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2020

The Companies Act 2006 (the "Company Law") provides that the director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company Law requires the director to prepare financial statements for each financial year. Under that law the director has directed preparation of the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company Law the director 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 director is required to:

- approve the selection of suitable accounting policies and then direct that they are applied consistently;
- take measures to ensure that judgements and accounting estimates are reasonable and prudent; and
- direct the preparation of the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in the paragraph "Statement on going concern" in the Strategic Report, the director does not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

The accountants responsible for maintaining the accounting records for the Company prior to 31 October 2011 do not report to the director and are currently under the control of the special administrators appointed to the Company's affiliate, MF Global UK Limited. While the director is responsible for ensuring that the Company keeps 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 her to ensure that the financial statements comply with the Companies Act 2006, the current director was appointed after the special administrators were appointed to MF Global UK Limited. The currently appointed director therefore has limited access to the Company's legacy accounting records and documentation, which are under the control of the special administrators. The director has no knowledge of significant information or transactions omitted from these financial statements. Additionally the director is also responsible for ensuring that the assets of the Company are safeguarded and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The director has no knowledge of allegations of fraud or instances of suspected fraud affecting the Company's financial statements.

MF GLOBAL HOLDINGS EUROPE LIMITED (Co. number: 02225802)

STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

	Note	2020 \$'000	2019 \$'000
Current assets			
Cash at Bank		-	-
Investments	4	-	-
Debtors	5	-	-
		<u>-</u>	<u>-</u>
Current liabilities			
Creditors: amounts falling due within one year	6	-	-
		<u>-</u>	<u>-</u>
Net current assets		-	-
		<u>-</u>	<u>-</u>
Total assets less current liabilities		<u><u>-</u></u>	<u><u>-</u></u>
Capital and reserves			
Called up share capital	7	-	-
Share premium		-	-
Profit and loss reserve		-	-
		<u>-</u>	<u>-</u>
Equity Shareholder's funds		<u><u>-</u></u>	<u><u>-</u></u>

For the year ending 31 March 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 5 to 8 form an integral part of these financial statements.

The financial statements on pages 3 to 8 were approved by the sole Director on March 26, 2021.

L F Podolsky

L F Podolsky
Director

MF GLOBAL HOLDINGS EUROPE LIMITED (Co. number: 02225802)

STATEMENT OF CHANGES IN EQUITY

As at 31 March 2020

	Share Capital \$'000	Share Premium \$'000	Profit and loss reserve \$'000	Total \$'000
Balance at 1 April 2017	-	-	-	-
Total Comprehensive Income				
Profit for the year	-	-	-	-
Balance at 1 April 2018	-	-	-	-
Total Comprehensive Income				
Profit for the year	-	-	-	-
Balance at 1 April 2019	-	-	-	-
Total Comprehensive Income				
Profit for the year	-	-	-	-
Balance at 31 March 2020	-	-	-	-

The notes on pages 5 to 8 form an integral part of these financial statements.

MF GLOBAL HOLDINGS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The financial statements of MF Global Holdings Europe Limited are presented in United States dollars (US\$) to the nearest thousand US\$. US\$ is the functional currency, as it is the currency of the key transactions and balances which the Company enters into.

The principal activity of the Company is disclosed in the Director's report on page 1.

The Company is a company limited by shares. It is both incorporated and domiciled in the United Kingdom. The address of its C/O Mofo Notices Limited, Citypoint, 1 Ropemaker Street, London EC2Y 9AW.

2. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), Section 1A, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Critical Accounting Estimates and Judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

On 31 October 2011, the Company's ultimate parent undertaking, MF Global Holdings Ltd., filed for Chapter 11 Bankruptcy protection in the United States of America with the Southern District of New York (the "Bankruptcy Court"). The Bankruptcy Court entered an order confirming MF Global Holdings Ltd.'s plan of liquidation, the Second Amended and Restated Plan of Liquidation ("Second Amended Plan") and the Second Amended Plan became effective on June 4, 2013. MF Global Holdings Ltd. is currently in the process of fulfilling its duties under the Second Amended Plan including, without limitation, reviewing, reconciling, and objecting to claims as well as the liquidation of its assets. On 31 October 2011, MF Global UK Limited, the principal operating subsidiary of the Company, was placed into special administration, with KPMG LLP appointed as special administrators.

Due to these events, all of the Company's investments in subsidiaries and affiliate receivables were deemed impaired and accordingly these have been written down to \$nil. The director has asserted certain, and will, if appropriate, assert additional, claims to recover the full value of these investments in subsidiaries and affiliate receivables, however, she cannot currently be certain of the amount that may be recovered. In September 2013, January and November 2014, and August 2015, the Company received payments from MF Global Finance Europe Limited of \$328,000, \$270,000, \$709,000 and \$255,000, respectively, representing distributions of 12% of the amount owed to the Company. In November 2013, and April and November 2014, the Company received payments from MF Global UK Limited of \$4,299,000, \$759,000 and \$547,000, respectively, representing distributions of 84.5% of the outstanding amount due to the Company. As stated in Note 5, during the year ended 31 March 2016, the Company assigned to MF Global Holdings Ltd. remaining previously written off receivables due from MF Global UK Limited and MF Global Finance Europe Limited for the fair value of receivables at the date of assignment.

Consolidation

The Company is a wholly owned subsidiary of MF Global Holdings Ltd.

MF Global Holdings Ltd.'s business address is as follows:

One Rockefeller Plaza, Suite 1703
New York, New York, 10020
USA

The Company has not prepared consolidated financial statements as it asserts no control over its subsidiaries. The Company's operating subsidiaries, MF Global UK Limited and MF Global UK Services Limited, were both placed into administration on 31 October 2011, with KPMG LLP appointed as administrators. All other subsidiaries of the Company are either dormant or in liquidation.

Details of subsidiary undertakings are disclosed in Note 4.

MF GLOBAL HOLDINGS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible with a maturity of three months or less. Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

Financial instruments

Financial instruments are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially recognised at transaction price (including transaction costs), except for those financial assets measured at fair value through profit or loss, which are initially recognised at fair value (which is normally the transaction price excluding transactions costs), unless where the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instruments.

Financial assets and liabilities are only offset in the Statement of Financial Position when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to a unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expired.

Shares in subsidiary undertakings

Subsidiary undertakings are all entities over which the Company, directly or indirectly, had the power to exercise control over the financial and operating policies generally accompanying a shareholding of the majority of the voting rights as of the reporting date. Shares in group undertakings are stated at cost less provision for impairment in value. The Company has not prepared consolidated financial statements as detailed above. Given that the Company's parent is currently fulfilling its duties under a plan of liquidation and its principal subsidiary is in special administration, the Company's investments in subsidiaries are deemed impaired and accordingly these have been written down to \$nil. If appropriate, the Company plans to assert claims to recover the value in these investments in subsidiaries, however, the amount, if any, which may be recovered, is uncertain as of the date of these financial statements.

Foreign currencies

Foreign currency transactions are translated into the local currency of the Company (US\$), using the exchange rate prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates income.

MF GLOBAL HOLDINGS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Accounting policies (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Share capital

Ordinary share capital is classified as equity.

3. Employees and directors' emoluments

The average number of employees (excluding directors) during the year was nil (2019: nil). No employment costs were incurred for the year ended 31 March 2020 (2019: \$nil).

During the year under review, no emoluments were paid directly by the Company to the director in respect of services rendered in her capacity as director of the Company or as director of the Company's former subsidiary undertakings or otherwise in connection with the management and affairs of the Company and its subsidiary undertakings. Amounts paid by former subsidiary undertakings or other related parties were not recharged to the Company (2019: \$nil).

4. Investments

	2020 \$'000	2019 \$'000
<i>Shares in subsidiary undertakings</i>		
At 1 April and March 31	-	-

The Company's investments comprise:

2020 Undertaking's name	Holding of Ordinary Shares	Country of incorporation	Line of business	Cost or Net realisable value
MF Global UK Limited	100%	UK	Brokerage/in administration	-
MF Global UK Services Limited	100%	UK	Employment services/ in administration	-
				-

Given that the Company's parent is currently fulfilling its duties under a plan of liquidation and its principal subsidiary is in special administration, the Company's investments in subsidiaries are deemed impaired and accordingly these have been written down to \$nil. If appropriate, the director plans to assert claims to recover the value in these investments in subsidiaries, however, she cannot currently be certain of the amount, if any, that may be recovered. MF Global UK Limited and MF Global UK Services Limited were placed into administration as of 31 October 2011.

The percentages shown above indicate the proportion of shares and voting rights owned by the Company. The Company does not have information related to the capital reserves or profit or loss of these entities as of 31 March 2020.

MF GLOBAL HOLDINGS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Debtors

Given that the Company's parent is currently fulfilling its duties under a plan of liquidation and its principal subsidiary is in special administration, the Company's affiliate receivables were deemed impaired and accordingly were written down to \$nil. During the year ended 31 March 2016, the Company assigned to MF Global Holdings Ltd. remaining previously written off receivables due from MF Global UK Limited and MF Global Finance Europe Limited for the fair value of receivables at the date of assignment.

6. Creditors - amounts falling due within one year

	2020 \$'000	2019 \$'000
Amounts owed to group undertakings	-	-
Other creditors and accruals	-	-
	<u>-</u>	<u>-</u>

7. Called up share capital

	2020 - Issued and fully paid		2019 - Issued and fully paid	
	Number	\$'000	Number	\$'000
Ordinary shares of US\$1 each				
At 31 March	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

8. Ultimate parent undertaking

The Company is a wholly owned subsidiary undertaking of MF Global Holdings Ltd., a company registered in Delaware, United States of America. MF Global Holdings Ltd. was delisted from the New York Stock Exchange on 31 October 2011.

As at the reporting date, the director regarded MF Global Holdings Ltd. as the Company's ultimate parent undertaking.

9. Related party balances and transactions

MF Global Holdings Ltd. has not prepared consolidated financial statements at the reporting date and consequently the Company has disclosed its related party transactions with entities that were part of the MF Global Holdings Ltd. group during the year ended 31 March 2020.

On 31 October 2011, the Company's operating subsidiaries, MF Global UK Limited and MF Global UK Services Limited, were both placed into administration, with KPMG LLP appointed as administrators. Consequently, at the reporting date, the Company does not have control over its operating subsidiaries.