

Company Number: 3769030

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

STRATEGIC REPORT, DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013

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GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

STRATEGIC REPORT

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

1. Introduction

Goldman Sachs Group Holdings (U.K.) Limited (the 'company') is a holding company to a group that provides a wide range of financial services to clients located worldwide.

On 9 July 2013, Goldman Sachs Group Holdings (U.K.) re-registered under the Companies Act 2006, from an unlimited company to a company limited by shares. Consequently, the name of the company has changed to Goldman Sachs Group Holdings (U.K.) Limited.

The company's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. ('Group Inc.'). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System ('Federal Reserve Board'). Group Inc. together with its consolidated subsidiaries form the 'group'. The group is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals.

2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2013. Comparative information has been presented for the year ended 31 December 2012.

The company primarily operates in a U.S. dollar environment as part of the group. Accordingly, the company's functional currency is the U.S. dollar and these financial statements have been prepared in that currency. The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US\$1.6567 (31 December 2012: £ / US\$1.6244). The average rate for the year was £ / US\$1.5670 (year ended 31 December 2012: £ / US\$1.5925).

The results for the year are shown in the profit and loss account on page 7. Profit on ordinary activities before taxation for the year was US\$195.7 million (year ended 31 December 2012: profit of US\$248.2 million).

The company had net current liabilities of US\$2,825 million (31 December 2012: net current assets of US\$5,827 million).

On 28 August 2014 the directors authorised a capital reduction through the acquisition of 2,214,692,694 number of shares for a total reduction of US\$2,112,378,927.

On 29 August 2014 the company distributed its shareholding in Goldman Sachs Holdings (U.K.) Limited through a dividend in specie.

On 1 September 2014 the company distributed its minority shareholding in Goldman Sachs International, Goldman Sachs Asset Management International and Montague Place Custody Services through dividends in specie.

On 1 September 2014 the company sold Goldman Sachs International Bank, Nufcor International Limited and Fleet Trade & Transport Limited at fair value for cash consideration to Goldman Sachs Group UK Limited.

STRATEGIC REPORT (continued)

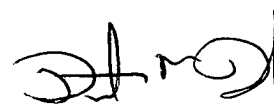
Future outlook

The directors consider that the year end financial position of the company was satisfactory taking into account the continuing support from the immediate parent undertaking (see note 1g), and do not anticipate any significant changes in its activities in the forthcoming year.

3. Principal risks and uncertainties

The company is exposed to financial risk through its financial assets and liabilities. Due to the nature of the company's business and the assets and liabilities, the financial risk the directors consider relevant to the entity include all risks relating to the underlying subsidiary undertakings that the company controls. These risks would include market risk, credit risk and liquidity risk and are explained in detail within the individual subsidiary financial statements. The company's risk management objectives and policies, as well as its risk exposures, are described in note 19 of the financial statements.

BY ORDER OF THE BOARD



D. W. McDonogh
Director

29 SEPTEMBER 2014

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 December 2013.

1. Introduction

In accordance with section 414A of the Companies Act 2006, the directors have prepared a strategic report, which contains a review of the company's businesses and a description of the principal risks and uncertainties facing the company. The directors have chosen to make reference to the company's risk management objectives and policies, as well as exposures to market risk, credit risk and liquidity risk in the strategic report, in accordance with section 414C(11) of the Companies Act 2006, that would otherwise have been reported in the directors' report.

2. Dividends

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2013 (year ended 31 December 2012: US\$nil).

3. Directors

The directors of the company who served throughout the year and to the date of this report, except where noted, were:

Name	Appointed	Resigned
M. A. Allen		26 June 2013
D. W. McDonogh		
R. J. Taylor	26 June 2013	

No director had, at the year end, any interest requiring note herein.

4. Disclosure of information to auditors

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

5. Independent auditors

Prior to 1 October 2007, the company passed an elective resolution under section 386 of the Companies Act 1985 to dispense with the annual reappointment of auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as auditors of the company pursuant to section 487(2) of the Companies Act 2006 and paragraph 44 of schedule 3 to the Companies Act 2006 (Commencement No. 3 Consequential Amendment, Transitional Provisions and Savings) Order 2007.

REPORT OF THE DIRECTORS (continued)

6. Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

7. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 29 September 2014.

BY ORDER OF THE BOARD



D. W. McDonogh
Director

Independent auditors' report to the members of GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Goldman Sachs Group Holdings (U.K.) Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors' report and strategic report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report and strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Alastair Findlay (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

29 September 2014

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

		Year Ended	Year Ended
		31 December 2013	31 December 2012
	Note	US\$'000	US\$'000
Income from shares in group undertakings		313,639	345,000
Loss on sale of subsidiary undertaking	9	(15)	(116)
Write down of shares in group undertakings	9	(15,233)	-
Administrative expenses		(43,835)	(8,315)
OPERATING PROFIT	3	254,556	336,569
Interest receivable and similar income	5	752,036	925,347
Interest payable and similar charges	6	(810,845)	(1,013,751)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		195,747	248,165
Tax on profit on ordinary activities	8	14,466	(3,664)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND FOR THE FINANCIAL YEAR		210,213	244,501

The operating profit of the company is derived from continuing operations in the current and prior years.

There is no difference between the profit on ordinary activities before taxation and the profit for the year as stated above and their historical cost equivalents.

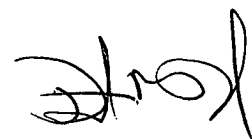
The company has no recognised gains and losses other than those included in the profit and loss account for the year shown above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 20 form an integral part of these financial statements.
Independent auditors' report – pages 5 to 6

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED**BALANCE SHEET****as at 31 December 2013**

		31 December 2013	31 December 2012
	Note	US\$'000	US\$'000
FIXED ASSETS			
Shares in subsidiary undertakings	9	9,877,928	7,540,328
CURRENT ASSETS			
Financial instruments owned	10	-	1,509
Debtors	11	227,305	41,606,982
Cash at bank and in hand		1,949	1,305
		<u>229,254</u>	<u>41,609,796</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Financial instruments sold, but not yet purchased	10	-	(1,509)
Other creditors	12	(3,054,585)	(35,781,269)
		<u>(3,054,585)</u>	<u>(35,782,778)</u>
NET CURRENT (LIABILITIES) / ASSETS		<u>(2,825,331)</u>	<u>5,827,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,052,597	13,367,346
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	-	(8,578,000)
NET ASSETS		<u>7,052,597</u>	<u>4,789,346</u>
CAPITAL AND RESERVES			
Called up share capital	14	24,608	22,565
Capital contribution	15	78,410	78,410
Share premium account	15	2,322,480	1,637,615
Merger reserve	15	2,387,525	1,021,395
Profit and loss account	15	2,239,574	2,029,361
TOTAL SHAREHOLDER'S FUNDS	16	<u>7,052,597</u>	<u>4,789,346</u>

The financial statements were approved by the Board of Directors on 29 September 2014 and signed on its behalf by:



D. W. McDonogh
Director

The notes on pages 9 to 20 form an integral part of these financial statements.
Independent auditors' report – pages 5 to 6
Company number: 3769030

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

1. ACCOUNTING POLICIES

a. Accounting convention

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below and have been applied consistently throughout the year.

b. Fixed asset investments

Fixed asset investments comprise shares in group undertakings and are stated at cost less provision for any impairment. Dividends receivable are recognised when the right to receive payment has been established.

c. Derivative financial instruments

The company uses derivatives primarily to reduce exposure to credit risk. For a derivative to be treated as a hedge the instrument must relate to actual assets or liabilities or to a probable commitment and must change the nature of the exposure in line with the company's policies. The company does not hold or issue derivative financial instruments for speculative purposes. Derivatives used for hedging are accounted for on an accruals basis.

d. Other financial assets and liabilities

Other financial assets and liabilities primarily comprise amounts due to group undertakings. They are initially recognised at fair value and subsequently remeasured at amortised cost, with finance income and expense recognised on an accruals basis. All finance income and expense is recognised in the profit and loss account.

e. Foreign currencies

Transactions denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account.

f. Dividends

Final dividends on financial instruments classified as equity are recognised in the year that they are approved by the directors. Interim equity dividends are recognised in the year that they are paid. These dividends are debited directly to equity.

g. Going concern

The company has net current liabilities of US\$2,825 million as at 31 December 2013 (31 December 2012: net current assets of US\$5,827 million). The principal current liability of the company represents amounts payable to fellow group undertakings. The immediate parent company has committed to ensuring the provision of sufficient funds to enable the company to meet its liabilities as they fall due. As a result, the directors have prepared these accounts on a going concern basis.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

2. REPORTING AND DISCLOSURE EXEMPTION

a. FRS1 (Revised 1996) - 'Cash Flow Statements'

The company is a greater than 90% subsidiary of The Goldman Sachs Group, Inc., whose consolidated accounts include the company and are publicly available and is, therefore, exempt from preparing a cash flow statement as required by FRS1 (Revised 1996) - 'Cash Flow Statements'.

b. FRS8 - 'Related Party Disclosures'

The company is a wholly-owned subsidiary of The Goldman Sachs Group, Inc., whose consolidated accounts include the company and are publicly available. As a result, under the terms of paragraph 3(c) of FRS8 - 'Related Party Disclosures', the company is exempt from disclosing transactions with companies also wholly owned within the group. There were no other related party transactions requiring disclosure.

c. Consolidation

The company is a subsidiary undertaking of a company incorporated in Great Britain and has elected not to prepare group accounts as permitted by section 400 of the Companies Act 2006.

d. FRS29 (IFRS7) 'Financial Instruments: Disclosures'

The company is a greater than 90% subsidiary of Goldman Sachs Group (UK) Limited, whose consolidated accounts include the company and are publically available and is, therefore, exempt from the disclosures required by FRS29 (IFRS7) 'Financial Instruments: Disclosures'.

3. OPERATING PROFIT

	Year Ended 31 December 2013 US\$'000	Year Ended 31 December 2012 US\$'000
Operating profit is stated after charging:		
Foreign exchange losses	39,237	1,380
Auditors' remuneration - audit services	47	159

4. STAFF COSTS

As in the prior year, the company has no employees. All persons involved in the company's operation are employed by a group undertaking and no cost is borne by the company.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2013 US\$'000	Year Ended 31 December 2012 US\$'000
Interest on loans to group undertakings (see note 11)	752,036	925,347

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2013 US\$'000	Year Ended 31 December 2012 US\$'000
Interest payable and similar charges (see note 12)	810,845	1,013,751

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

7. DIRECTORS' EMOLUMENTS

	Year Ended 31 December 2013 US\$'000	Year Ended 31 December 2012 US\$'000
Directors:		
Aggregate emoluments	149	154
Company pension contributions to money purchase schemes	2	2
	151	156

In accordance with the Companies Act 2006, directors' emoluments above represent the proportion of total emoluments paid or payable in respect of qualifying services only. In accordance with schedule 5 of Statutory Instrument 2008 / 410, this only includes the value of cash and benefits in kind. Directors also receive emoluments for non-qualifying services which are not required to be disclosed.

Three persons, who were directors for some or all of the year, are members of a defined contribution pension scheme and three persons are members of a defined benefit pension scheme. Three directors have been granted shares in respect of a long-term incentive scheme during the year. No directors have exercised options during the year.

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

a. Analysis of tax (credit) / charge for the year:

	Year Ended 31 December 2013 US\$'000	Year Ended 31 December 2012 US\$'000
Current tax:		
Group relief receivable	(14,466)	(17,804)
Adjustments in respect of previous years	-	21,468
Total current tax (see note (b) below)	(14,466)	3,664

Group relief represents amounts receivable from group undertakings in consideration for the surrender of losses under group relief arrangements.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

b. Factors affecting tax (credit) / charge for the year:

The difference between the total current tax shown above and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 23.25% (31 December 2012: 24.50%) to profit on ordinary activities before tax is as follows:

	Year Ended 31 December 2013 US\$'000	Year Ended 31 December 2012 US\$'000
Profit on ordinary activities before tax	195,747	248,165
Profit on ordinary activities at the standard rate in the UK 23.25% (2012: 24.50%)	45,511	60,801
Non taxable dividend income	(72,921)	(84,525)
Expenses disallowed for the purposes of the tax provision	3,542	-
Capital loss carried forward	3	28
Income disregarded for the purposes of the tax provision	9,107	5,892
Controlled foreign company profit apportionment	292	-
Adjustments in respect of previous years	-	21,468
Current tax (credit) / charge for the year	(14,466)	3,664

9. FIXED ASSET INVESTMENTS

Shares in subsidiary undertakings are unlisted and stated at cost less provision for impairment:

	US\$'000
At 1 January 2013	7,540,328
Additions	4,323,340
Foreign exchange	34,232
Provision for impairment	(15,234)
Disposals	(2,004,738)
At 31 December 2013	9,877,928

During the year, the following movements in shares in subsidiary undertakings took place:

On 1 March 2013, the company purchased the entire issued share capital of Goldman Sachs Ireland Holdings Limited for a total consideration of US\$685,552,223.

On 27 April 2013, the company was issued 18,956,884 ordinary shares of £1 each by Goldman Sachs International Bank for a total consideration of US\$1,200,000,000.

On 17 May 2013, Goldman Sachs Ireland Holdings Limited distributed capital of US\$225,285,397 representing a capital reserve. On the same day, Goldman Sachs Ireland Holdings Limited paid a dividend of US\$240,110,000 to the company. The company acquired Goldman Sachs Ireland Holdings Limited for its fair value of US\$685,552,223 on 1 March 2013 and this dividend represented the acquired reserves present at the date of acquisition. The company thus treated this dividend as a return of capital and reduced the value of investment by the dividend received.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

9. FIXED ASSET INVESTMENTS (continued)

On 15 July 2013, the company acquired the entire issued share capital of Rothesay Life (Cayman) Limited for a total consideration of US\$1,367,485,623, through a share for share issuance.

On 20 September 2013, Rothesay Life (Cayman) Limited paid a dividend of US\$469,000,000 to the company. The company acquired Rothesay Life (Cayman) Limited for its fair value of US\$1,367,485,623 on 15 July 2013 and this dividend represented the acquired cash reserves present at the date of acquisition. The company thus treated this dividend as a return of capital and reduced the value of investment by the dividend received.

On 26 November 2013, the company was issued 664,644,560 redeemable ordinary shares of £1 each by Shire UK Limited for a total consideration of £664,644,560 (US\$1,070,184,514). Subsequently, Shire UK Limited affected a return of share premium on ordinary shares of £664,644,560 (US\$1,070,184,514).

On 29 November 2013, the company was issued 100,000 ordinary shares of US\$1 each and 100 ordinary shares of £1 by Nufcor Capital Limited for a total consideration of US\$100,184 via a dividend in specie from Nufcor International Limited.

On 13 December 2013, the company transferred Pumbaa Luxembourg S.A.R.L. to a subsidiary Goldman Sachs Group U.K. Finance Limited for a notional value of €12,500 (US\$17,000). Subsequently, the company injected US\$17,000 into Goldman Sachs Group U.K. Finance Limited to finance its acquisition of Pumbaa Luxembourg S.A.R.L..

On 18 December 2013, the company was issued 10 ordinary shares of £1 each by Goldman Sachs Europe Limited for a total consideration of US\$16.

On 30 December 2013, Money Partners Financial Company Limited affected a return of remaining capital for US\$141,428 and then completed liquidation. The company incurred a loss of US\$15,184.

A provision for impairment of US\$15,234,330 was taken to reflect a permanent diminution in value in Killingholme Power Group Limited.

The principal subsidiaries over which the company exercises control, and the effective percentage ownership interest in the ordinary and preference shares held directly by the company at the year end are listed below:

Name of company	Country of incorporation	Holding and proportion of voting rights	Class of shares held	Nature of business
Goldman Sachs Asset Management International	Great Britain	1%	Ordinary shares	Fund Manager
Goldman Sachs International Bank	Great Britain	100%	Ordinary shares	Bond trading, bank loan and related activities
Montague Place Custody Services	Great Britain	1%	Ordinary shares	Custodian services
Goldman Sachs International	Great Britain	1%	Ordinary shares	Securities dealer
Fleet Trade & Transport Limited	Great Britain	100%	Ordinary shares	Oil and shipping operations
Goldman Sachs Holdings (U.K.) Limited	Great Britain	100%	Ordinary shares	Holding company
Shire UK Limited	Great Britain	100%	Ordinary shares	Investment company
		100%	Redeemable shares	

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

9. FIXED ASSET INVESTMENTS (continued)

Name of company	Country of incorporation	Holding and proportion of voting rights	Class of shares held	Nature of business
Goldman Sachs (Monaco) S.A.M.	Monaco	100%	Ordinary shares	Fund manager
Scadbury UK Limited	Great Britain	100%	Ordinary shares	Investment company
GS European Investment I Ltd.	Cayman Islands	100%	Ordinary shares	Investment company
Killingholme Power Group Limited	Great Britain	100%	Ordinary shares	Investment company
GS Leasing Management Limited	Cayman Islands	100%	Ordinary shares	Investment company
GS Liquid Trading Platform I PCC	Great Britain	100%	Ordinary shares	Investment company
GS Liquid Trading Platform II Limited	Great Britain	100%	Ordinary shares	Investment company
Goldman Sachs Group U.K. Finance Limited	Great Britain	100%	Ordinary shares	Leasing holding company
KPL Finance Limited	Cayman Islands	100%	Ordinary shares	Investment company
Nufcor International Limited	Great Britain	100%	Ordinary shares	Commodities dealer
Goldman Sachs UK Retirement Plan Pension Trustee Limited	Great Britain	100%	Ordinary shares	Corporate pension trustee
Goldman Sachs Ireland Holdings Limited	Ireland	100%	Ordinary shares	In liquidation
Rothsay Life (Cayman) Limited	Cayman Islands	100%	Ordinary shares	Insurance company
Nufcor Capital Limited	Great Britain	100%	Ordinary shares	In liquidation
Goldman Sachs Europe Limited	Isle of Man	100%	Ordinary shares	Service company

The subsidiaries over which the company exercises control via ordinary shares held by or on behalf of the subsidiary undertakings are listed below.

Name of company	Country of incorporation	Holding and proportion of voting rights	Class of shares held	Nature of business
Goldman Sachs International Finance	Great Britain	100%	Ordinary shares	Non-trading
Goldman Sachs Asset Management International	Great Britain	99%	Ordinary shares	Fund manager
Montague Place Custody Services	Great Britain	99%	Ordinary shares	Custodian services
Goldman Sachs International	Great Britain	99%	Ordinary shares	Securities dealer
Goldman Sachs Securities (Nominees) Limited	Great Britain	100%	Ordinary shares	Nominee shareholder
Dunvegan Investments Limited	Cayman Islands	100%	Ordinary shares	In liquidation

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

9. FIXED ASSET INVESTMENTS (continued)

Name of company	Country of incorporation	Holding and proportion of voting rights	Class of shares held	Nature of business
Shire Funding Limited	Cayman Islands	100%	Ordinary shares	Investment company
Shire Assets	Great Britain	100%	Ordinary shares	Investment company
Shire II Assets Limited	Cayman Islands	100%	Ordinary shares	Investment company
Scadbury Funding Limited	Cayman Islands	100%	Ordinary shares	Investment company
Scadbury Assets	Great Britain	100%	Ordinary shares	Investment company
Scadbury II Assets Limited	Cayman Islands	100%	Ordinary shares	Investment company
Killingholme Generation Limited	Great Britain	100%	Ordinary shares	Investment company
		100%	Redeemable shares	
Killingholme Holdings Limited	Great Britain	100%	Ordinary shares	Investment company
GS Killingholme Cayman Investments Ltd.	Cayman Islands	100%	Ordinary shares	Investment company
KPL Holdings Limited	Cayman Islands	100%	Ordinary shares	Investment company
GS Leasing No. 1 Limited	Cayman Islands	100%	Ordinary shares	Investment company
GS Leasing No. 3 Limited	Cayman Islands	100%	Ordinary shares	Investment company
GS Leasing	Cayman Islands	100%	Partnership interest	Leasing partnership
GS Equipment Finance I Limited	Cayman Islands	100%	Ordinary shares	Investment company
GS Equipment Finance II Limited	Great Britain	100%	Ordinary shares	Investment company
Forres LLC	Delaware	100%	Ordinary shares	Investment company
		100%	Preference shares	
		100%	Class A shares	
Forres Investments Limited	Cayman Islands	100%	Ordinary shares	Investment company
GS Funding Management Limited	Cayman Islands	100%	Redeemable ordinary shares	Investment company
GS Funding Investments Limited	Cayman Islands	100%	Redeemable ordinary shares	Investment company
KPL Acquisitions Limited	Cayman Islands	100%	Ordinary shares	Investment company
Beheer- En Beleggingsmaatschappij Befraco B.V.	Netherlands	100%	Ordinary shares	Lease holding company

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

9. FIXED ASSET INVESTMENTS (continued)

Name of company	Country of incorporation	Holding and proportion of voting rights	Class of shares held	Nature of business
Goldman Sachs International Investments Limited	Great Britain	100%	Ordinary shares	Non-trading
Goldman Sachs (Cayman) Limited	Cayman Islands	100%	Ordinary shares	Financial services
Ipopema 80 Fundusz Inwestycyjny Zamkniety	Poland	100%	*	Investment fund
Goldman Sachs Ireland Finance Limited	Ireland	100%	Ordinary shares	Investment company
Paternoster Limited	Isle of Man	100%	Ordinary shares	Holding company
Paternoster Financial Services Limited	Great Britain	100%	Ordinary shares	In liquidation
Paternoster Holdings Limited	Isle of Man	100%	Ordinary shares	In liquidation
Paternoster Services Limited	Great Britain	100%	Ordinary shares	Service company
Paternoster UK Limited	Great Britain	100%	Ordinary shares	In liquidation
GS Index Holdings Limited	Great Britain	100%	Ordinary shares	Investment company
GS Index Funding Limited	Great Britain	100%	Ordinary shares	Investment company
European Index Assets B.V.	Netherlands	100%	Class A ordinary shares	Investment company
		100%	Class B ordinary shares	
Pumbaa Luxembourg S.A.R.L.	Luxembourg	100%	Ordinary shares	Investment company

* This subsidiary undertaking is included in the financial statements on the basis of control obtained other than through voting rights attached to shares.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

10. FINANCIAL INSTRUMENTS OWNED AND FINANCIAL INSTRUMENTS SOLD, BUT NOT YET PURCHASED

Financial instruments owned, comprises:

	31 December 2013 US\$'000	31 December 2012 US\$'000
Derivative instruments:		
Credit	-	1,509

Financial instruments sold, but not yet purchased comprises:

	31 December 2013 US\$'000	31 December 2012 US\$'000
Derivative instruments:		
Credit	-	1,509

During the year the financial instrument was transferred to a fellow group company.

11. DEBTORS

	31 December 2013 US\$'000	31 December 2012 US\$'000
Amounts due from group undertakings	158,945	41,559,033
Group relief receivable from group undertakings	68,352	47,948
Other debtors	8	1
	227,305	41,606,982

Included in amounts due from group undertakings is an amount of US\$nil (31 December 2012: US\$8.6 billion) due in more than one year. This related to long-term subordinated loans to a subsidiary undertaking. The loans were unsecured and accrued interest at a margin over Federal Funds Rate. The margin was reset on a periodic basis to reflect changes in the group's long-term debt spread. The loan was repayable upon giving or receiving at least five years' notice to or from the subsidiary undertaking.

The remaining debtors are all due within one year of the balance sheet date.

On 22 November 2013, the subordinated loans and US\$29.3 billion of loan balances with group undertakings were novated to Goldman Sachs Group UK Limited.

12. OTHER CREDITORS

	31 December 2013 US\$'000	31 December 2012 US\$'000
Amounts payable to group undertakings	3,049,729	35,774,450
Other creditors and accruals	4,856	6,819
	3,054,585	35,781,269

On 22 November 2013, US\$30.0 billion of loan balances with group undertakings were novated to Goldman Sachs Group UK Limited.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

13. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	31 December 2013	31 December 2012
	US\$'000	US\$'000
Long-term subordinated loans	-	8,578,000

On 22 November 2013, the subordinated loans were novated to Goldman Sachs Group UK Limited.

14. SHARE CAPITAL

At 31 December 2013 and 31 December 2012 called up share capital comprised:

	31 December 2013		31 December 2012	
	No.	US\$'000	No.	US\$'000
<u>Allotted, called up and fully paid</u>				
Ordinary shares of US\$0.01 each	2,460,769,660	24,608	2,256,548,249	22,565
		<u>24,608</u>		<u>22,565</u>

On 1 March 2013, 68,692,608 ordinary shares of US\$0.01 each were allotted to Goldman Sachs Ireland Group Limited. The consideration received was the whole share capital of Goldman Sachs Ireland Holdings Limited which had a value of US\$685,552,223. A share premium of US\$684,865,297 arose on the issuance.

On 15 July 2013, 135,528,803 ordinary shares of US\$0.01 each were allotted to Goldman Sachs (UK) L.L.C. The consideration received was the whole share capital of Rothesay Life (Cayman) Limited which had a value of US\$1,367,485,623. After the application of section 611 of Companies Act 2006 no share premium arose and US\$1,366,130,335 was credited to a merger reserve.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

15. SHARE PREMIUM ACCOUNT AND RESERVES

	Capital contribution US\$'000	Share premium account US\$'000	Merger reserve US\$'000	Profit and loss account US\$'000
At 1 January 2012	73,089	1,547,032	1,021,395	1,784,860
Profit for the period	-	-	-	244,501
Contributed capital	5,321	-	-	-
Shares issued	-	90,583	-	-
At 1 January 2013	78,410	1,637,615	1,021,395	2,029,361
Profit for the year	-	-	-	210,213
Contributed capital	-	-	-	-
Shares issued (see note 14)	-	684,865	1,366,130	-
At 31 December 2013	78,410	2,322,480	2,387,525	2,239,574

As part of a group reorganisation in a prior period, the company took advantage of the relief afforded to it under section 132 of the Companies Act 1985. As a result, share premium of only US\$698,381,000 was recorded and the remaining difference between the nominal value of the shares and the value at which the new shares were issued of US\$1,021,395,000 was credited to a non-distributable merger reserve.

As part of the purchase of Rothesay Life (Cayman) Limited, the company took advantage of the relief afforded to it under section 611 of the Companies Act 2006. As a result, nil share premium was recorded and the remaining difference between the nominal value of the shares and the market value of US\$1,366,130,336 was credited to a non-distributable merger reserve.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	31 December 2013 US\$'000	31 December 2012 US\$'000
Profit for the financial year	210,213	244,501
Share capital issuance (see note 14)	2,043	92
Share premium on issuance (see note 15)	684,865	90,583
Capital contribution	-	5,321
Merger reserve (see note 15)	1,366,130	-
Net increase in shareholder's funds	2,263,251	340,497
Opening shareholder's funds	4,789,346	4,448,849
Closing shareholder's funds	7,052,597	4,789,346

17. FINANCIAL COMMITMENTS AND CONTINGENCIES

As at 31 December 2013 the company had a commitment of US\$5mn (31 December 2012: US\$5mn) outstanding with regard to lending arrangements with a subsidiary undertaking.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

18. FINANCIAL RISK MANAGEMENT

The company is exposed to financial risk through its financial assets and liabilities. Due to the nature of the company's business and the assets and liabilities, the financial risk the directors consider relevant to the entity include all risks relating to the underlying subsidiary undertakings that the company controls. These risks would include market risk, credit risk and liquidity risk and are explained in detail within the individual subsidiary financial statements.

The risks associated with significant subsidiary undertakings of the group are monitored and controlled through a variety of separate, but complementary, financial, credit, operational, compliance and legal reporting systems. In addition, a number of committees are responsible for monitoring risk exposures and for general oversight of our risk management process. These committees meet regularly and consist of senior members of both our revenue-producing units and departments that are independent of our revenue-producing units. In addition to the committees, functions that are independent of the revenue-producing units, such as Compliance, Finance, Legal, Internal Audit and Operations perform risk management functions, which include monitoring, analysing and evaluating risk.

19. POST BALANCE SHEET EVENTS

On 28 August 2014 the directors authorised a capital reduction through the acquisition of 2,214,692,694 number of shares for a total reduction of US\$2,112,378,927.

On 29 August 2014 the company distributed its shareholding in Goldman Sachs Holdings (U.K.) Limited through a dividend in specie.

On 1 September 2014 the company distributed its shareholding in Goldman Sachs International, Goldman Sachs Asset Management International and Montague Place Custody Services through dividends in specie.

On 1 September 2014 the company sold Goldman Sachs International Bank, Nufcor International Limited and Fleet Trade & Transport Limited at fair value for a cash consideration to Goldman Sachs Group UK Limited

20. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

The immediate parent undertaking and the parent company of the smallest group for which consolidated financial statements are prepared is Goldman Sachs Group UK Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of Goldman Sachs Group UK Limited's consolidated financial statements are available on request from The Company Secretary, Goldman Sachs Group UK Limited, Peterborough Court, 133 Fleet Street, London EC4A 2BB, United Kingdom.

The ultimate parent undertaking and the parent company of the largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated within the United States of America. Copies of its consolidated financial statements, as well as certain regulatory filings, for example Forms 10-Q and 10-K, that provide additional information on the group and its business activities, can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America, the group's principal place of business or at www.goldmansachs.com/shareholders/.