

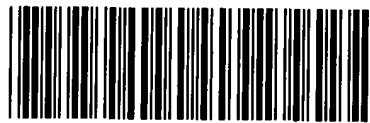
Company Number: 05988582

AINSCOUGH HOLDINGS LIMITED

ANNUAL REPORT

31 DECEMBER 2020

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AINSCOUGH HOLDINGS LIMITED

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2020.

1. Introduction

The principal activity of Ainscough Holdings Limited (the company) is to undertake investment business.

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. In relation to the company, 'group undertaking' means Group Inc. or any of its subsidiaries. Group Inc., together with its consolidated subsidiaries, form 'GS Group'. GS 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 individuals.

The company primarily operates in a U.S. dollar environment as part of GS Group. Accordingly, the company's functional currency is the U.S. dollar and these financial statements have been prepared in that currency.

2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2020. Comparative information has been presented for the year ended 31 December 2019.

The directors consider loss before tax, total assets and total liabilities as the company's key performance indicators.

The results for the year are shown in the profit and loss account on page 8. Loss before taxation for the year ended 31 December 2020 was US\$0.4 million (2019: Loss of US\$0.5 million).

The company had total assets of US\$47.4 million as at 31 December 2020 (31 December 2019: US\$16.6 million) and total liabilities of US\$31.4 million as at 31 December 2020 (31 December 2019: US\$0.2 million).

3. Exchange rate

The British pound / U.S. Dollar exchange rate at the balance sheet date was £ / US\$1.3653 (31 December 2019: £ / US\$1.3265). The average rate for the year was £ / US\$1.2924 (31 December 2019: £ / US\$1.2792).

4. Future outlook

The directors consider that the year end financial position of the company was satisfactory and do not anticipate any significant changes in its activities in the forthcoming year. The company has not incurred any material financial impact associated with COVID-19 and on the basis that no significant changes in its activities are expected the directors do not foresee any future impact.

5. Principal risks and uncertainties

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. The company is also exposed to risk of decline in value of certain assets, primarily investments in joint ventures. The company also has limited exposure to operational, legal, regulatory and compliance risks. The company, as part of a global group, adheres to global risk management policies and procedures. The company's risk management objectives and policies are described in note 19 of the financial statements.

STRATEGIC REPORT (continued)

6. Principal decision making and stakeholder engagement

The directors of the company carry out their duties in a way that they consider, in good faith, would be most likely to promote the success of the company for the benefit of GS Group as a whole, and in doing so have regards (amongst other matters) to:

- a) the likely consequences of any decision in the long term;
- b) the need to foster the company's business relationships with others;
- c) the impact of the company's operations on the community and the environment;
- d) the desirability of the company maintaining a reputation for high standards of business conduct; and
- e) the need to act fairly as between members of the company.

In meeting the requirements under section 172 of the Companies Act 2006 the Board is guided by the Code of Business Conduct and Ethics and the risk and governance framework of GS Group, and considers the views of key stakeholders when making decisions that influence the company's current and future operations and reputation. The directors of the company receive information on a variety of topics that assist them in their oversight of the company's business.

7. Date of authorisation of issue

The strategic report was authorised for issue by the Board of Directors on 14 December 2021.

ON BEHALF OF THE BOARD



Piers Curle

P. N. Curle
Director

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2020.

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, as well as future outlook in accordance with section 414C(11) of the Companies Act 2006, that would otherwise have been reported in the directors' report. The directors have also chosen to make reference to the requirements of Section 172(1) in the strategic report in accordance with section 414C(11).

2. Dividends

The directors do not recommend the payment of a dividend in respect of the year (31 December 2019: US\$nil).

3. 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 ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

4. Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

5. 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
V. Chima		
P. N. Curle		
W. T. Gasson		16 October 2020
K. Zavodov	11 March 2020	18 September 2020
N. Ross	22 November 2021	
J. A. Wiltshire	22 November 2021	

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

DIRECTORS' REPORT (continued)

6. Statement of directors' responsibilities in respect of the financial statements

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 financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

7. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 14 December 2021.

ON BEHALF OF THE BOARD



Piers Curle

P. N. Curle

Director

Independent auditors' report to the members of Ainscough Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Ainscough Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2020; the Profit and Loss Account, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Ainscough Holdings Limited

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journals entries and management bias through the manipulation of the valuation of financial instruments held at fair value. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Incorporating unpredictability into the nature, timing and/or extent of our testing;
- Performed risk assessment analytical procedures to identify any unusual or unexpected relationships, transactions outside the normal course of business or that may be indicative of a material misstatement due to fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the valuation of financial assets and liabilities measured at fair value; and
- Testing journal entries by using our data auditing tools to identify manual journals with a higher inherent risk of fraud, and obtaining appropriate audit evidence to support these journals.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Independent auditors' report to the members of Ainscough Holdings Limited

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mike Wallace (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London



14 December 2021

AINSCOUGH HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT**for the year ended 31 December 2020**

		Year ended	Year ended
		31 December 2020	31 December 2019
	Note	US\$'000	US\$'000
Net revenues	4	(380)	-
Interest receivable and similar income	5	130	52
Interest payable and similar expenses	6	(158)	-
Other (loss)/income	7	(11)	7
Loss on sale of subsidiary undertaking	11	-	(511)
LOSS BEFORE TAXATION		(419)	(451)
Tax on loss	10	7	(11)
LOSS FOR THE FINANCIAL YEAR		(412)	(462)

The losses of the company are derived from continuing operations in the current and prior years.

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

The accompanying notes are an integral part of these financial statements.

AINSCOUGH HOLDINGS LIMITED

BALANCE SHEET

as at 31 December 2020

		31 December 2020	31 December 2019
	Note	US\$'000	US\$'000
CURRENT ASSETS			
Investments	12	30,989	9,947
Debtors: Amounts falling due within one year	13	1,999	6,619
Debtors: Amounts falling due after more than one year	14	14,437	-
		47,425	16,566
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	(313)	(166)
NET CURRENT ASSETS		47,112	16,400
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	16	(31,124)	-
NET ASSETS		15,988	16,400
CAPITAL AND RESERVES			
Called up share capital	17	16,725	16,725
Profit and loss account		(737)	(325)
TOTAL SHAREHOLDER'S FUNDS		15,988	16,400

The financial statements were approved by the Board of Directors on 14 December 2021 and signed on its behalf by:



Piers Curle

P. N. Curle
Director

The accompanying notes are an integral part of these financial statements.
Company number: 05988582.

AINSCOUGH HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY**for the year ended 31 December 2020**

	Called up share capital US\$'000	Profit and loss account US\$'000	Total shareholder's funds US\$'000
Balance at 1 January 2019	1,721	137	1,858
Loss for the financial year	-	(462)	(462)
Proceeds from shares issued	15,004	-	15,004
Balance at 31 December 2019	16,725	(325)	16,400
Loss for the financial year	-	(412)	(412)
Balance at 31 December 2020	16,725	(737)	15,988

No dividends were paid in 2020 and 2019.

The accompanying notes are an integral part of these financial statements.

AINSCOUGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

1. GENERAL INFORMATION

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Plumtree Court, 25 Shoe Lane, London, EC4A 4AU, United Kingdom. The immediate parent undertaking is GS Sapphire Holding Limited, a company incorporated and domiciled in England and Wales.

The ultimate parent undertaking and the parent company of the smallest and largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated in the United States of America. Copies of its consolidated financial statements can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America, or at www.goldmansachs.com/investor-relations/.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

a. Basis of Preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention (modified as explained in note 2e) and in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

Exemptions from the following disclosure requirements have been applied in the preparation of these financial statements, in accordance with FRS 101:

- i) IFRS 2 'Share-based Payment' paragraph 45(b) and 46 to 52. These disclosures are provided in the consolidated financial statements of Group Inc.;
- ii) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a)(iv);
- iii) IAS 1 'Presentation of Financial Statements' paragraphs 10d, 10(f), 16, 38A, 38B-D, 40A-D and 111;
- iv) IAS 7 'Statement of Cash Flows';
- v) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31.
- vi) IAS 24 'Related Party Disclosures' paragraph 17 and 18A; and
- vii) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within the group.

The company is a subsidiary undertaking of Group Inc., a company incorporated within the United States of America, whose consolidated financial statements include the company and are publicly available. As a result the company has elected not to prepare consolidated financial statements as permitted by section 401 of the Companies Act 2006.

b. Revenue recognition

Net revenues have been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities. This includes net revenue from equity investments.

Net revenues from equity investments include dividend income and changes in fair value. Dividends receivable are recognised as income when the right to receive the payment has been established.

AINSCOUGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

2. ACCOUNTING POLICIES (continued)

c. Dividends

Final dividends are recognised as a liability and deducted from equity in the period in which the dividends are approved by the company's shareholder. Interim dividends are recognised and deducted from equity when paid.

d. Foreign currencies

The company's financial statements are presented in U.S. dollars, which is also the company's functional currency. Transactions denominated in foreign currencies are translated into U.S. dollars at rates of exchange prevailing on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses are recognised in profit and loss account.

e. Financial assets and financial liabilities

(i) Recognition and derecognition

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or if the company transfers the financial asset and the transfer qualifies for derecognition. A transferred financial asset qualifies for derecognition if the company transfers substantially all the risks and rewards of ownership of the financial asset or if the company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but does not retain control. Financial liabilities are derecognised only when they are extinguished (i.e. when the obligation specified in the contract is discharged or cancelled or expires).

(ii) Classification and measurement

Financial assets comprise all of the company's current assets and financial liabilities comprise all of the company's creditors.

The company classifies financial assets into the below categories on the basis of both the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The business model reflects how the company manages particular groups of assets in order to generate future cash flows. Where the business model is to hold the assets to collect contractual cash flows, the company subsequently assesses whether the cash flows represent solely payments of principal and interest.

• Financial assets measured at amortised cost

Financial assets measured at amortised cost are initially measured at fair value plus transaction costs and subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the company estimates cash flows considering all contractual terms of the financial asset but does not consider future credit losses. All finance income is recognised in the profit and loss account. Financial assets measured at amortised cost comprise debtors.

AINSCOUGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

2. ACCOUNTING POLICIES (continued)

e. Financial assets and financial liabilities (continued)

(ii) Classification and measurement (continued)

• Financial assets measured at fair value through profit and loss

Financial assets that do not meet the criteria for amortised cost are mandatorily measured at fair value through profit or loss. Such financial assets are initially measured at fair value and subsequently at fair value through profit or loss, with gains or losses recognised in net (losses)/gains on financial instruments at fair value. Financial assets measured at fair value include certain investments.

The company classifies its financial liabilities as financial liabilities measured at amortised cost. The classification, which is determined at initial recognition, depends on the purpose for which they were acquired or originated. Financial liabilities measured at amortised cost are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method (see above). Finance costs, including discounts allowed on issue, are recorded in interest payable and similar expenses. Financial liabilities measured at amortised cost comprise creditors.

f. Current and deferred tax

The tax expense comprises current and deferred tax. Tax is recognised in the profit and loss account.

Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all temporary differences that have originated, but not reversed at the balance sheet date, where transactions or events have occurred by that date that will result in an obligation to pay more tax or a right to pay less tax in the future with the following exceptions:

- (i) Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying temporary differences can be deducted.
- (ii) Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

g. Share capital

Ordinary, B and C share capital is classified as equity.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in these financial statements. The nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

a. Fair value measurement

Certain of the company's financial assets include significant unobservable inputs (i.e. level 3). See Note 20 for information about the carrying value, valuation techniques and significant inputs of these instruments.

AINSCOUGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020**4. NET REVENUES**

	Year Ended	Year Ended
	31 December 2020	31 December 2019
	US\$'000	US\$'000
Net revenues on equity investments	(380)	-

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended	Year ended
	31 December 2020	31 December 2019
	US\$'000	US\$'000
Interest on loans to group undertakings (see note 13 and 14)	130	52

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended	Year Ended
	31 December 2020	31 December 2019
	US\$'000	US\$'000
Interest on loans from group undertakings (see note 16)	158	-

7. OTHER (LOSS)/INCOME

	Year ended	Year ended
	31 December 2020	31 December 2019
	US\$'000	US\$'000
Foreign exchange (losses)/gains	(11)	7

The auditors' remuneration for the audit of the financial statements for the current year of £16,000 (US\$20,678) (2019: £16,000 (US\$20,427)) has been borne by a fellow group undertaking.

8. STAFF COSTS

As in the prior year, the company has no employees. All persons involved in the company's operations are employed by group undertakings and no costs are borne by the company.

9. DIRECTORS' EMOLUMENTS

The directors did not receive any remuneration from the company in the current or prior years and no contributions were made by the company under defined benefit or defined contribution pension schemes. The directors are employed by other group undertakings and their remuneration is borne by those companies. The directors do not consider that more than an incidental amount of their remuneration relates to the qualifying services provided to the company.

AINSCOUGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

10. TAX ON LOSS

	Year ended 31 December 2020 US\$'000	Year ended 31 December 2019 US\$'000
U.K. corporation tax	(7)	11
Total tax on loss	(7)	11

The table below presents a reconciliation between tax on profit and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 19.00% (2019: 19.00%) to the loss before taxation:

	Year ended 31 December 2020 US\$'000	Year ended 31 December 2019 US\$'000
Loss before taxation	(419)	(451)
Profit multiplied by the standard rate in the U.K. of 19.00% (2019: 19.00%)	(80)	(86)
Permanent differences	73	97
Total tax on loss	(7)	11

11. FIXED ASSET INVESTMENTS

	Cost and net book value US\$'000
At 1 January 2019	-
Additions	14,728
Disposals	(4,452)
Transfers	(9,765)
Loss on sale and reclassification of subsidiary undertaking	(511)
At 31 December 2019 and 31 December 2020	-

In the prior year, the company subscribed for 100% of the shares in Fado Investment Holdings S.a.r.l (Fado) for a total consideration of US\$14.7 million.

In addition, in the prior year the company sold 30.23% of its investment in Fado to external investors for a total consideration of US\$4.5 million. On the same day the company entered into a joint venture agreement with the external investors agreeing to joint control over Fado's future affairs. As a result the company transferred its remaining investment to current investments (see note 12). The sale and subsequent transfer resulted in a US\$0.5 million loss.

AINSCOUGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

12. CURRENT ASSET INVESTMENTS

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Joint venture	30,989	9,947

Current asset investments, which are stated at fair value (see note 20) comprise of investments in joint ventures. During the year, the company invested an additional €16.8 million (US\$20.6 million) in Fado Investment Holding S.a.r.l.

The joint ventures at year end are:

Name of company	Nature of business	Proportion of nominal value held	Class of shares held
Fado Investment Holding S.a.r.l. ¹	Investment company	73.04%	Ordinary shares
TopHat Enterprises Ltd ²	Investment company	62.90%	A ordinary shares

Registered office address at:

¹ 2, Rue du Fosse, Luxembourg, L-1536.

² 22 Grenville street, St. Helier, Jersey, JE4 8PX, Channel Islands

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Amounts due from group undertakings	1,991	6,619
Group relief receivable	8	-
	1,999	6,619

In addition, amounts due from group undertakings in the current and prior year includes a loan note of US\$1.5 million (31 December 2019: US\$1.5 million) issued to the company by Bradley Hall Holdings Limited, a fellow group undertaking, under the terms of an existing loan agreement dated 19 December 2014. The loan note is unsecured and carries interest at a rate of 3.5% per annum. The loan note is repayable at the earlier of 30 days from when the company demands payment or 19 December 2034. Bradley Hall Holdings Limited may redeem the loan note with at least 5 days notice to the company.

Amounts due from group undertakings includes US\$4,479 in cash balances held on account by fellow group undertakings (31 December 2019: US\$4,924).

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

14. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Long-term loans due from group undertakings	14,437	-

Long-term loans due from group undertakings in the current year includes a loan of US\$14.4 million advanced by the company to GS Sapphire Holding Limited, a fellow group undertaking, under the terms of a new loan agreement. The loan is unsecured and carries interest at a variable margin over the U.S. Federal Reserve's federal funds rate. The loan is repayable at the earlier of 367 days from when the company demands repayment or 18 January 2038.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Amounts due to group undertakings	171	-
Group relief payable	140	166
	311	166

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Long-term loans due to group undertakings	31,124	-

Long-term loans due to group undertakings in the current year includes a loan of €25.5 million (US\$31.1 million) advanced by GS Sapphire Holding Limited, a fellow group undertaking, under the terms of a new loan agreement. The loan is unsecured and carries interest at a variable margin over the U.S. Federal Reserve's federal funds rate. The loan is repayable at the earlier of 367 days from when the company demands repayment or 18 January 2038.

17. CALLED UP SHARE CAPITAL

At 31 December 2020 and 31 December 2019 called up share capital comprised:

	31 December 2020		31 December 2019	
	No.	US\$'000	No.	US\$'000
<u>Allotted, issued and fully paid</u>				
Ordinary shares of £1 each	13,117,835	16,671	13,117,835	16,671
B shares of £0.01 each	571,400	8	571,400	8
C shares of £1 each	30,565	46	30,565	46
		16,725		16,725

18. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company had no financial commitments and contingencies outstanding at year end (31 December 2019: US\$nil).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

19. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The company monitors its capital on an ongoing basis. The company's objective is to be prudently capitalised in terms of the amount and composition of its equity base compared to the company's risk exposures. The appropriate level and composition of equity capital is determined by considering multiple factors including the business environment, conditions in the financial markets and assessments of potential future losses due to adverse changes in market environments.

The company is not subject to any externally imposed capital requirements.

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. The company, as part of a global group, adheres to global risk management policies and procedures.

a. Market risk

Market risk is the risk of loss in value of investments, as well as certain other financial assets and financial liabilities, due to changes in market conditions. Risks are monitored and controlled through strong firmwide oversight and independent control and support functions across the company's business. Relevant market risks for the company are interest rate risk and currency risk.

Interest rate risk results from exposures to changes in level, slope and curvature of yield curves, volatilities of interest rates and credit spreads.

If interest rates had been 0.5 percent higher/lower and all other variables were held constant, the company's loss for the year would have been US\$0.1M higher/lower (2019: US\$7,655). This has been determined assuming that the company's interest rate risk at balance sheet date was consistent for the whole year.

Currency risk results from changes in spot prices, forward prices and volatilities of currency rates.

The company manages its interest rate risk and currency risk as part of GS Group's risk management policy, by establishing economic hedges, in a group affiliate, as appropriate to the circumstances of the company. The company had no material currency exposure as of 31 December 2020 (31 December 2019: none).

Equity price risk arises from exposures to changes in prices and volatilities of individual investments. The sensitivity analysis below has been determined based on the company's exposure to equity price risk at the balance sheet date. If equity values had been 10 per cent higher/lower, profit before taxation for the year ended 31 December 2020 would increase/decrease by US\$3.1 million (2019: increase/decrease by US\$1.0 million) as a result of the changes in fair value.

b. Credit risk

Credit risk represents the potential for loss due to the default or deterioration in credit quality of a counterparty. Credit risk is managed by reviewing the credit quality of the counterparties and reviewing, if applicable, the underlying collateral against which the financial assets are secured. The company's maximum exposure to credit risk is equivalent to the carrying value of its amounts due from group undertakings as at 31 December 2020 and 31 December 2019. The company is exposed to credit risk from its amounts due from group undertakings for which the credit risk is considered minimal.

c. Liquidity risk

Liquidity risk is the risk that the company does not have sufficient cash or collateral to make payments to its counterparties or customers as they fall due. The company manages its liquidity risk in accordance with GS Group's comprehensive and conservative set of liquidity and funding policies to address both company specific and broader industry or market liquidity events.

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

a. Financial Assets and Financial Liabilities by Category

The table below presents the carrying value of the company's financial assets and financial liabilities by category:

31 December 2020			
	Designated at fair value	Amortised cost	Total
	US\$'000	US\$'000	US\$'000
Financial assets			
Investments	30,989	-	30,989
Debtors	-	16,436	16,436
	30,989	16,436	47,425
	Designated at fair value	Amortised cost	Total
	US\$'000	US\$'000	US\$'000
Financial liabilities			
Amounts due to group undertaking	-	31,437	31,437
	-	31,437	31,437
31 December 2019			
	Designated at fair value	Amortised cost	Total
	US\$'000	US\$'000	US\$'000
Financial assets			
Investments	9,947	-	9,947
Debtors	-	6,619	6,619
	9,947	6,619	16,566
	Designated at fair value	Amortised cost	Total
	US\$'000	US\$'000	US\$'000
Financial liabilities			
Amounts due to group undertakings	-	166	166
	-	166	166

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

b. Fair value hierarchy

FRS 101 has a three level fair value hierarchy for disclosure of fair value measurements. The fair value hierarchy prioritises inputs to the valuation techniques used to measure fair value, giving the highest priority to level 1 inputs and lowest priority to level 3 inputs. A financial instrument's level in the fair value hierarchy is based on the lowest level of any input that is significant to its fair value measurement.

The fair value hierarchy is as follows:

- **Level 1** Inputs are unadjusted quoted prices in active markets to which GS Group has access at the measurement date for identical, unrestricted assets or liabilities.
- **Level 2** Inputs to valuation techniques are observable, either directly or indirectly.
- **Level 3** One or more inputs to valuation techniques are significant and unobservable.

The fair values of the company's financial assets and financial liabilities include one or more inputs which are significant and unobservable and are classified in level 3 of the fair value hierarchy. Certain level 3 financial assets and financial liabilities may require appropriate valuation adjustments that a market participant would require to arrive at fair value for factors such as counterparty and the company's and GS Group's credit quality, funding risk, transfer restrictions, liquidity and bid/offer spreads. Valuation adjustments are generally based on market evidence.

c. Valuation techniques and significant input

Valuation techniques and significant inputs for each level of the fair value hierarchy include:

- **Level 1** cash instruments are valued using quoted prices for identical unrestricted instruments in active markets. The company defines active markets for financial instruments based on both average daily trading volume and number of days with trading activity.
- **Level 2** cash instruments can be verified to quoted prices, recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g. indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources. Valuation adjustments are typically made to level 2 financial instruments (i) if the financial instrument is subject to transfer restrictions and/or (ii) for other premiums and liquidity discounts that a market participant would require to arrive at fair value. Valuation adjustments are generally based on market evidence.
- **Level 3** cash instruments have one or more significant valuation inputs that are not observable. Absent evidence to the contrary, level 3 financial instruments are initially valued at transaction price, which is considered to be the best initial estimate of fair value. Subsequently, the company uses other methodologies to determine fair value, which vary based on the type of instrument. Valuation inputs and assumptions are changed when corroborated by substantive observable evidence, including values realised on sales of financial assets.

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

d. Fair value of financial assets and financial liabilities by level

The tables below present, by level within the fair value hierarchy, financial assets and financial liabilities measured at fair value on a recurring basis.

		As of 31 December 2020			
	Financial liabilities	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
	Investments	-	-	30,989	30,989
		-	-	30,989	30,989

		As of 31 December 2019			
	Financial liabilities	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
	Investments	-	9,947	-	9,947
		-	9,947	-	9,947

e. Significant unobservable inputs used in Level 3 fair value measurement

As of 31 December 2020, the company had level 3 financial assets measured at fair value through profit and loss of US\$30.9 million (31 December 2019: US\$nil). The table below presents the significant unobservable inputs used to value the level 3 financial assets.

Level 3 financial instruments measured at fair value through the profit and loss	Valuation techniques and significant unobservable inputs	Significant unobservable inputs (where a range, weighted average)	
		As of 31 December 2020	As of 31 December 2019
Equity investments (\$31.0 million of net level 3 assets as of 31 December 2020)	Discounted cashflows: • Discount rate • Duration	20.6% 3.7 years	N/A

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

f. Level 3 rollforward

The tables below present the changes in fair value for all level 3 financial assets and financial liabilities. Gains and losses arising on level 3 assets are recognised within trading profit in the profit and loss account.

	Equity investments US\$'000
Level 3 financial assets at fair value	
Balance, beginning of year	-
Transfers into level 3	9,947
Purchases	19,237
Losses	(380)
FX revaluation	2,185
Balance, end of year	30,989

During the year, the entity's financial assets moved from level 2 to level 3 as the transaction via which price transparency was verified is no longer considered recent.

g. Fair value of financial assets and financial liabilities valued using techniques that incorporate unobservable inputs

The fair value of financial assets and financial liabilities may be determined in whole or part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument or based on available observable market data and changing these assumptions will change the resultant estimate of fair value.

The potential impact of using reasonable possible alternative assumptions for the valuation, including significant unobservable inputs, has been quantified as of 31 December 2020, as approximately US\$3.5 million (2019: US\$nil) for favourable changes and US\$3.1 million (2019: US\$nil) for unfavourable changes.

h. Fair value of financial assets and financial liabilities not measured at fair value

The company has US\$2.0 million (31 December 2019: US\$6.6 million) of current financial assets and US\$0.3 million (31 December 2019: US\$0.2 million) of current financial liabilities that are not measured at fair value. Given the short-term nature of these instruments, their carrying amounts in the balance sheet are a reasonable approximation of fair value.

The company has US\$14.4 million (31 December 2019: US\$nil) of financial assets and US\$31.1 million (31 December 2019: US\$nil) of financial liabilities due after more than one year that are not measured at fair value and predominantly relate to long-term intercompany borrowings. The interest rate associated with such borrowings is variable in nature and approximates prevailing market interest rates for instruments with similar terms and characteristics. As such, the carrying amount in the balance sheet is a reasonable approximation of fair value.

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

i. Maturity of financial liabilities

The tables below present the undiscounted cash flows of the company's financial liabilities by contractual maturity including interest that will accrue.

31 December 2020						
	Less than one month US\$'000	1-3 months US\$'000	3 months to 1 year US\$'000	1-5 years US\$'000	5+ years US\$'000	Total US\$'000
Financial liabilities						
Creditors: amounts falling due within one year	-	311	-	-	-	311
Creditors: amounts falling due after more than one year	-	-	-	31,544	-	31,544
Total	-	311	-	31,544	-	31,855

31 December 2019						
	Less than one month US\$'000	1-3 months US\$'000	3 months to 1 year US\$'000	1-5 years US\$'000	5+ years US\$'000	Total US\$'000
Financial liabilities						
Creditors: amounts falling due within one year	-	166	-	-	-	166
Total	-	166	-	-	-	166