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**Company Number. 4718888**

**GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2012**



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## GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

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### REPORT OF THE DIRECTORS

The directors present their report and the audited company and consolidated financial statements of Goldman Sachs Capital Investments Limited for the year ended 31 December 2012

#### 1. Principal activities

Goldman Sachs Capital Investments Limited ('the company') is a holding company. The company together with its subsidiary undertakings are referred to as 'the Group'.

The principal activity of the Group and the company is to undertake investment business.

The Group and the company primarily operate in a sterling environment as part of The Goldman Sachs Group, Inc. Accordingly, the Group and company's functional currency is sterling and these financial statements have been prepared in that currency.

#### 2. Review of business and future developments

The financial statements have been drawn up for the year ended 31 December 2012. Comparative information has been presented for the year ended 31 December 2011.

The consolidated results for the year are shown in the profit and loss account on page 4. Loss on ordinary activities before taxation for the year ended 31 December 2012 was £1,716,186 (year ended 31 December 2011: profit of £188,853). The Group has total assets of £44,786,535 (31 December 2011: £47,288,349) and the company has total assets of £31,759,776 (31 December 2011: £31,779,903).

The directors consider that the year end financial position of the Group and the company were satisfactory. The directors will continue to review investment opportunities, however no such opportunities have been identified since the balance sheet date.

#### 3. Dividends

The directors do not recommend the payment of a dividend in respect of the year (year ended 31 December 2011: £nil).

#### 4. Directors

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

Name	Resigned
S A Collins	10 April 2013
S Herrup	
B Sklar	
H S Webb	3 August 2013

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

#### 5. Financial risk management

The Group and company's risk management objectives and policies, as well as its risk exposures, are described in note 14 to the financial statements.

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## GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

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### REPORT OF THE DIRECTORS (continued)

#### 6 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 / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

#### 7 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

#### 8 Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company as 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.

#### 9 Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on

28 August 2013

BY ORDER OF THE BOARD

 Director

S. HERRUP

## **GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED**

### **Independent auditors' report to the member of Goldman Sachs Capital Investments Limited**

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We have audited the Group and company financial statements (the "financial statements") of Goldman Sachs Capital Investments Limited for the year ended ended 31 December 2012 which comprise the Group profit and loss account, the Group and company balance sheet, and the related notes. 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).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities (set out on page 2) the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and 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.

#### **Scope of the audit of the financial statements**

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 Group's and 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 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Group and company's affairs as at 31 December 2012 and of the Group's loss 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

Alastair Findlay

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

3 September 2013

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## GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

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### PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2012

		The Group	
		Year Ended	Year Ended
		31 December 2012	31 December 2011
	Note	£	£
Administrative (expense) / income		(1,716,186)	188,853
<b>OPERATING (LOSS) / PROFIT AND (LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(1,716,186)	188,853
Tax on (loss) / profit on ordinary activities	5	413,563	(49,787)
<b>(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND FOR THE FINANCIAL YEAR</b>	11	(1,302,623)	139,066

The operating (loss) / profit of the Group is derived from continuing operations in the current and prior years

There is no difference between the (loss) / profit on ordinary activities before taxation and the (loss) / profit for the financial years as stated above and their historical cost equivalents

The Group has no recognised gains and losses other than those included in the profit and loss account for the financial years shown above, and therefore no separate statement of total recognised gains and losses had been presented

The notes on pages 6 to 10 form an integral part of these financial statements  
Independent auditors' report – page 3

# GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

## BALANCE SHEET

as at 31 December 2012

		The Group		The Company	
		31 December 2012	31 December 2011	31 December 2012	31 December 2011
	Note	£	£	£	£
<b>FIXED ASSET INVESTMENTS</b>					
Investments in subsidiary undertakings	7	-	-	28,257,063	28,257,063
<b>CURRENT ASSETS</b>					
Debtors	8	44,786,535	47,288,349	3,502,713	3,522,840
<b>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(8,640,692)	(9,839,883)	(80,738)	(79,926)
<b>NET CURRENT ASSETS</b>		36,145,843	37,448,466	3,421,975	3,442,914
<b>NET ASSETS</b>		36,145,843	37,448,466	31,679,038	31,699,977
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10	7,028,750	7,028,750	7,028,750	7,028,750
Other reserves	11	55,629,470	55,629,470	55,629,470	55,629,470
Profit and loss account	11	(26,512,377)	(25,209,754)	(30,979,182)	(30,958,243)
<b>TOTAL SHAREHOLDER'S FUNDS</b>	12	36,145,843	37,448,466	31,679,038	31,699,977

The financial statements were approved by the Board of Directors on 28 August 2013 and signed on its behalf by

  
Director

S. HERRUP

The notes on pages 6 to 10 form an integral part of these financial statements  
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## **GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012**

#### **1 ACCOUNTING POLICIES**

##### **a Accounting convention**

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

##### **b. Consolidation**

The consolidated financial statements include the company and its subsidiaries. In accounting for the subsidiaries, the Group consolidates fully their assets, liabilities and results for the year. All inter-company balances and transactions are eliminated from the consolidated accounts. The accounting reference date of the company and its subsidiary undertakings is 31 December.

##### **c. Foreign currencies**

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

##### **d Fixed asset investments**

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

##### **e Other financial assets and liabilities**

Other financial assets and liabilities primarily comprise debtors and creditors. They are initially recognised at fair value and subsequently measured 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.

##### **f Reporting and disclosure exemption**

###### **i. 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'.

###### **ii. 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.

#### **2. STAFF COSTS**

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

# GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

### 3 OPERATING (LOSS) / PROFIT

	The Group	
	Year Ended 31 December 2012	Year Ended 31 December 2011
	£	£
<b>Operating (loss) / profit is stated after crediting</b>		
(Loss) / gain on exchange differences	(1,716,186)	188,853

The auditors' remuneration for the current year of £10,000 (year ended 31 December 2011 £10,000) has been borne by a group undertaking

### 4. DIRECTORS' EMOLUMENTS

	Year ended 31 December 2012	Year ended 31 December 2011
	£	£
Aggregate emoluments	2,930	-

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 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.

All directors are members of the defined contribution pension scheme. Two directors are members of the defined benefit pension scheme. All directors have been granted shares in respect of a long term incentive scheme. No directors have exercised options.

### 5. TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES

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

	The Group	
	Year Ended 31 December 2012	Year Ended 31 December 2011
	£	£
<b>Current tax</b>		
Group relief receivable	(418,892)	-
Corporation tax payable	-	49,787
Adjustments in respect of previous periods	5,329	-
<b>Total current tax (see note b below)</b>	<b>(413,563)</b>	<b>49,787</b>



# GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

### 5. TAX ON (LOSS) / 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 UK corporation tax applicable to the group for the year of 24.5% (31 December 2011: 26.5%) to (loss) / profit on ordinary activities before taxation is as follows

	The Group Year Ended 31 December 2012 £	Year Ended 31 December 2011 £
(Loss) / profit on ordinary activities before taxation	(1,716,186)	188,853
(Loss) / profit on ordinary activities multiplied by the weighted average rate in the UK 24.5% (2011: 26.5%)	(420,465)	50,045
Consolidated partnership result not taxable	1,573	(258)
Adjustment to tax in respect of prior periods	5,329	-
<b>Current tax (credit) / charge for the year</b>	<b>(413,563)</b>	<b>49,787</b>

### 6. COMPANY LOSS FOR THE YEAR

Of the Group's profit for the year, a loss of £20,939 (year ended 31 December 2011: profit of £2,274) has been dealt within the financial statements of the company. As permitted by section 408 (3) of the Companies Act 2006, the company's profit and loss account has not been included in these financial statements.

### 7. FIXED ASSET INVESTMENTS

	The Company £
<b>Net Book Value</b>	
At 31 December 2012 and at 31 December 2011	<b>28,257,063</b>

The subsidiaries over which the company exercises control, and the effective percentage ownership contained in the ordinary shares at the year end are listed below

Name of company	Country of incorporation	Proportion of nominal value	Number in issue	Class of shares held	Nature of business
Goldman Sachs Capital Investments II Limited	England and Wales	100%	28,750	Ordinary shares	Investment company
Capital Investments (U.S.) III, L.L.C. (partnership)	Delaware, United States of America	100% capital 100% income	Not applicable	Not applicable	Investment company

The directors consider that the value of investments in shares in subsidiary undertakings are not less than their book values.

# GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

### 8 DEBTORS

Debtors, all of which are due within one year of the balance sheet date, comprise

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2012	2011	2012	2011
	£	£	£	£
Amounts due from parent undertaking	1,008,595	1,008,595	1,008,595	1,008,595
Amounts due from group undertaking (see note (i))	41,604,034	44,926,577	732,310	760,052
Corporation tax receivable	-	5,448	-	-
Group relief receivable	2,173,906	1,347,729	1,761,808	1,754,193
	<u>44,786,535</u>	<u>47,288,349</u>	<u>3,502,713</u>	<u>3,522,840</u>

- (i) Amounts due from group undertaking in the current year includes cash balances of £41,604,034 for the Group and £732,310 for the company, held on account by a fellow group undertaking (31 December 2011 £44,926,577 and £760,052 respectively)

### 9 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

Creditors, all of which are payable within one year of the balance sheet date, comprise

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2012	2011	2012	2011
	£	£	£	£
Amounts due to group undertakings (see note (i))	8,042,762	7,633,648	79,621	20,840
Group relief payable	596,813	2,011,514	-	20,569
Corporation tax payable	1,117	194,721	1,117	38,517
	<u>8,640,692</u>	<u>9,839,883</u>	<u>80,738</u>	<u>79,926</u>

- (i) Amounts due to group undertakings in the current and prior year for the Group primarily comprise amounts payable to a fellow group undertaking in relation to corporation tax paid on behalf of the Group

### 10. CALLED UP SHARE CAPITAL

At 31 December 2012 and 31 December 2011 share capital comprised

	The Company	
	31 December 2012	31 December 2011
	No.	No.
	£	£
<u>Alotted, called up and fully paid</u>		
Ordinary shares of £1 each	7,028,750	7,028,750
	<u>7,028,750</u>	<u>7,028,750</u>

# GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

### 11. PROFIT AND LOSS ACCOUNT AND OTHER RESERVES

	The Group		The Company	
	Other reserves	Profit and loss account	Other reserves	Profit and loss account
	£	£	£	£
At 31 December 2011	55,629,470	(25,209,754)	55,629,470	(30,958,243)
Loss for the year	-	(1,302,623)	-	(20,939)
At 31 December 2012	55,629,470	(26,512,377)	55,629,470	(30,979,182)

### 12. RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDER'S FUNDS

	The Group	
	Year ended 31 December 2012	Year ended 31 December 2011
	£	£
(Loss) / profit for the year	(1,302,623)	139,066
Net increase in shareholder's funds	(1,302,623)	139,066
Opening shareholder's funds	37,448,466	37,309,400
Closing shareholder's funds	36,145,843	37,448,466

### 13. FINANCIAL COMMITMENTS AND CONTINGENCIES

The Group and the company had no financial commitments and contingencies outstanding at the year end 31 December 2011 nil)

### 14. FINANCIAL RISK MANAGEMENT

The Group and the company are exposed to financial risk through their financial assets and liabilities. The key financial risk is that the proceeds from current assets are not sufficient to fund the obligations arising from liabilities as they fall due. Due to the nature of the Group and company's business and the assets and liabilities contained within the balance sheets, the directors consider foreign exchange risk and liquidity risk are the most important components of financial risk. The Group, as part of a global group, adheres to global risk management policies and procedures.

### 15. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

The immediate parent undertaking is GS Financial Services L P (Del), a limited partnership registered in Delaware. 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 in 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/](http://www.goldmansachs.com/shareholders/)