

Company Number: 4718888

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013

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COMPANIES HOUSE

REPORT OF THE DIRECTORS

The directors present their report and the audited consolidated financial statements of Goldman Sachs Capital Investments Limited for the year ended 31 December 2013. A strategic report has not been prepared as the company is entitled to small companies exemption under section 414A of the Companies Act 2006.

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's principal business is transacted in British pound and accordingly the company's functional currency is British pound and these financial statements have been prepared in that currency.

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 'GS Group' or '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 high-net-worth individuals.

2. Review of business and future developments

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 2013.

The consolidated results for the year are shown in the profit and loss account on page 5. Loss on ordinary activities before taxation for the Group for the year ended 31 December 2013 was £701,378 (year ended 31 December 2012: loss of £1,716,186). The Group has total assets of £43,527,160 (31 December 2012: £44,786,535) and the company has total assets of £31,748,347 (31 December 2012: £31,759,776).

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 2012: £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	Appointed	Resigned
S. A. Collins		10 April 2013
C. Esvaran	26 March 2014	
S. Herrup		26 March 2014
M. Holmes	26 March 2014	
B. Sklar		
H. S. Webb		3 August 2013

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

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

REPORT OF THE DIRECTORS (continued)

5. Financial risk management

The Group and company's risk management objectives and policies, as well as its risk exposures, are described in note 15 to the financial statements.

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 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 23 April 2014

BY ORDER OF THE BOARD

 **B. SKLAR**
Director

Independent auditors' report to the member of Goldman Sachs Capital Investments 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 Group and company's affairs as at 31 December 2013 and of its 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.

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 Capital Investments Limited, comprise:

- the Group and company balance sheet as at 31 December 2013;
- the Group profit and loss account for the year then ended; 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 Group 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 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 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 member of Goldman Sachs Capital Investments 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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. 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 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 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

23 April 2014

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

		The Group	
		Year Ended	Year Ended
		31 December 2013	31 December 2012
	Note	£	£
Administrative expenses		(701,378)	(1,716,186)
OPERATING LOSS AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(701,378)	(1,716,186)
Tax on loss on ordinary activities	6	-	413,563
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND FOR THE FINANCIAL YEAR	12	(701,378)	(1,302,623)

The operating loss of the Group is derived from continuing operations in the current and prior years.

There is no difference between the loss on ordinary activities before taxation and the loss 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 has been presented.

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

BALANCE SHEET

as at 31 December 2013

	Note	The Group		The Company	
		31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
FIXED ASSET INVESTMENTS					
Investments in subsidiary undertakings	8	-	-	28,257,063	28,257,063
CURRENT ASSETS					
Debtors	9	43,527,160	44,786,535	3,491,284	3,502,713
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(8,082,695)	(8,640,692)	(85,602)	(80,738)
NET CURRENT ASSETS		35,444,465	36,145,843	3,405,682	3,421,975
NET ASSETS		35,444,465	36,145,843	31,662,745	31,679,038
CAPITAL AND RESERVES					
Called up share capital	11	7,028,750	7,028,750	7,028,750	7,028,750
Other reserves	12	55,629,470	55,629,470	55,629,470	55,629,470
Profit and loss account	12	(27,213,755)	(26,512,377)	(30,995,475)	(30,979,182)
TOTAL SHAREHOLDER'S FUNDS	13	35,444,465	36,145,843	31,662,745	31,679,038

The financial statements were approved by the Board of Directors on 23 April 2014 and signed on its behalf by:


 B. SKLAR
 Director

The notes on pages 7 to 11 form an integral part of these financial statements.
 Independent auditors' report – pages 3 to 4
 Company number: 4718888

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, 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 loss.

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.

2. REPORTING AND DISCLOSURE EXEMPTIONS

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 GS Group. There were no other related party transactions requiring disclosure.

3. 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 2013

4. OPERATING LOSS

	The Group	
	Year Ended	Year Ended
	31 December 2013	31 December 2012
	£	£
Operating loss is stated after charging:		
Loss on exchange differences	(696,525)	(1,716,186)

The auditors' remuneration for the current year of £10,000 (year ended 31 December 2012: £10,000) has been borne by a group undertaking.

5. DIRECTORS' EMOLUMENTS

	Year ended	Year ended
	31 December 2013	31 December 2012
	£	£
Aggregate emoluments	2,385	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. The total does not include the value of equity awards in accordance with the provisions of Schedule 5 of SI 2008/410. Directors also receive emoluments for non-qualifying services which are not required to be disclosed.

All directors are members of a defined contribution pension scheme. Two directors are members of a defined benefit pension scheme. All directors have received or are due receipt of shares under a long-term incentive scheme. No directors have exercised options during the year.

6. TAX ON LOSS ON ORDINARY ACTIVITIES

a. Analysis of tax credit for the year

	The Group	
	Year Ended	Year Ended
	31 December 2013	31 December 2012
	£	£
Current tax		
Group relief receivable	-	418,892
Adjustments in respect of previous periods	-	(5,329)
Total current tax (see note b below)	-	413,563

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

6. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

b. Factors affecting tax credit 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 23.25% (31 December 2012: 24.50%) to loss on ordinary activities before taxation is as follows:

	The Group	
	Year Ended	Year Ended
	31 December 2013	31 December 2012
	£	£
Loss on ordinary activities before taxation	(701,378)	(1,716,186)
Loss on ordinary activities multiplied by the weighted average rate in the UK 23.25% (2012: 24.50%)	163,070	420,465
Expenses not deductible for tax purposes	(841)	(1,573)
Tax losses carried forward	(162,229)	-
Adjustments in respect of previous periods	-	(5,329)
Current tax credit for the year	-	413,563

A potential deferred tax asset of £146,530 (31 December 2012: nil) has not been recognised in the financial statements as there is uncertainty whether the company will generate suitable profits in the future against which the deferred tax asset can be recovered.

7. COMPANY LOSS FOR THE YEAR

Of the Group's loss for the year, a loss of £16,293 (year ended 31 December 2012: loss of £20,939) 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.

8. FIXED ASSET INVESTMENTS

	The Company
	£
Cost and Net Book Value	
At 31 December 2013 and at 31 December 2012	28,257,063

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.	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 is not less than its book values.

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

9. DEBTORS

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

	The Group		The Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
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))	40,745,675	41,604,034	720,880	732,310
Group relief receivable	1,772,890	2,173,906	1,761,809	1,761,808
	43,527,160	44,786,535	3,491,284	3,502,713

- (i) Amounts due from group undertaking in the current year comprise cash balances of £40,745,675 for the Group and £720,880 for the company held on account by a fellow group undertaking (31 December 2012: £41,604,034 and £732,310 respectively).

10. 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 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
Amounts due to group undertakings (see note (i))	8,048,743	8,042,762	85,602	79,621
Group relief payable	33,952	596,813	-	-
Corporation tax payable	-	1,117	-	1,117
	8,082,695	8,640,692	85,602	80,738

- (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.

11. CALLED UP SHARE CAPITAL

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

	The Company			
	31 December 2013		31 December 2012	
	No.	£	No.	£
<u>Allotted, called up and fully paid</u>				
Ordinary shares of £1 each	7,028,750	7,028,750	7,028,750	7,028,750
		7,028,750		7,028,750

GOLDMAN SACHS CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

12. 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 2012	55,629,470	(26,512,377)	55,629,470	(30,979,182)
Loss for the year	-	(701,378)	-	(16,293)
At 31 December 2013	55,629,470	(27,213,755)	55,629,470	(30,995,475)

13. RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDER'S FUNDS

	The Group	
	Year ended	Year ended
	31 December 2013	31 December 2012
	£	£
Loss for the year	(701,378)	(1,302,623)
Net decrease in shareholder's funds	(701,378)	(1,302,623)
Opening shareholder's funds	36,145,843	37,448,466
Closing shareholder's funds	35,444,465	36,145,843

14. FINANCIAL COMMITMENTS AND CONTINGENCIES

The Group and the company had no financial commitments and contingencies outstanding at the year end (31 December 2012: nil).

15. 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.

16. 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 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, as well as certain regulatory filings, for example Forms 10-Q and 10-K, that provide additional information on 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/.