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Company Number: FC025667
Cayman Company Number: MC-142435

SCADBURY FUNDING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013



SCADBURY FUNDING LIMITED

REPORT OF THE DIRECTORS

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

1. Principal activities

Scadbury Funding Limited ('the company') was incorporated in the Cayman Islands as an exempted limited liability company

The principal activity of 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 ('Federal Reserve Board'). Group Inc together with its consolidated subsidiaries form 'GS Group' or the '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.

The company's principal business is transacted in the British pound and accordingly, the company's functional currency is the British pound 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 2013. Comparative information has been presented for the year ended 31 December 2012.

The profit and loss account for the year is set out on page 3. Profit on ordinary activities before taxation was £1,810,000 for the year ended 31 December 2013 (year ended 31 December 2012: profit of £1,938,000). The company has net current liabilities of £556,273,000 (31 December 2012: net current liabilities of £557,662,000).

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

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
O J Bingham	1 August 2013	
S A Collins		10 April 2013
W T Gasson		
S B Scobie		
R J Taylor	1 August 2013	

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

5. Financial risk management

The company's risk management objectives and policies, as well as its risk exposures, are described in note 13 to the financial statements.

SCADBURY FUNDING LIMITED

REPORT OF THE DIRECTORS (continued)

6. Statement of directors' responsibilities

The directors are responsible for preparing the non-statutory financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year. The directors must not approve the non-statutory financial statements unless they are satisfied that they have been prepared, in all material respects, in accordance with United Kingdom Generally Accepted Accounting Practice. In preparing these non-statutory financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the non-statutory 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 which enable them to ensure the non-statutory financial statements comply with the Companies Act 2006 as applicable to overseas companies. 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 MAY 2014

BY ORDER OF THE BOARD



W T GASSON
Director

SCADBURY FUNDING LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

		Year Ended 31 December 2013	Year Ended 31 December 2012
	Note	£'000	£'000
Interest receivable and similar income	4	9,570	9,622
Interest payable and similar charges	5	(7,760)	(7,684)
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,810	1,938
Tax on profit on ordinary activities	6	(421)	(91)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND FOR THE FINANCIAL YEAR	11	1,389	1,847

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

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

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

The notes on pages 5 to 10 form an integral part of these financial statements


SCADBURY FUNDING LIMITED

BALANCE SHEET

as at 31 December 2013

	Note	31 December 2013 £'000	31 December 2012 £'000
FIXED ASSET INVESTMENTS			
Investments in group undertakings	7a	853,404	853,404
Other investments	7b	1	1
		<u>853,405</u>	<u>853,405</u>
CURRENT ASSETS			
Debtors	8	462,442	452,209
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	<u>(1,018,715)</u>	<u>(1,009,871)</u>
NET CURRENT LIABILITIES		<u>(556,273)</u>	<u>(557,662)</u>
NET ASSETS		<u>297,132</u>	<u>295,743</u>
CAPITAL AND RESERVES			
Called up share capital	10	12	12
Share premium account	11	437,553	437,553
Other reserves	11	36,457	36,457
Profit and loss account	11	<u>(176,890)</u>	<u>(178,279)</u>
TOTAL SHAREHOLDER'S FUNDS	12	<u>297,132</u>	<u>295,743</u>

The financial statements were approved by the Board of Directors on 14 MAY 2014 and signed on its behalf by



W T GASSON
Director

The notes on pages 5 to 10 form an integral part of these financial statements
Company number FC025667 / Cayman company number MC-142435

SCADBURY FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

1. ACCOUNTING POLICIES

a. Accounting convention

The financial statements have been prepared on the going concern basis, under the historical cost convention, the accounting policies set out below and in accordance with accounting standards issued by the UK Accounting Standards Board and the Companies Act 2006 as applicable to overseas companies. The preparation of accounts on this basis is in accordance with Cayman Law.

The financial statements have been audited in accordance with International Standards on Auditing (UK and Ireland). Those standards are issued by the Auditing Practices Board.

b. Fixed asset investments

Fixed asset investments comprise investments in group undertakings and other investments and are stated at cost less provision for any impairment. Interest is recognised on an accruals basis.

c. Going concern

The company has net current liabilities as at 31 December 2013. Goldman Sachs Group Holdings (U.K.) Limited, the holding company to the company's immediate parent undertaking (see note 15), has committed to ensuring the provision of sufficient funds to enable the company to meet its liabilities as they fall due. As a result, the directors have prepared these accounts on the going concern basis.

d. Other financial assets and liabilities

Other financial assets and liabilities primarily comprise amounts due from immediate parent and group undertakings and amounts due to group undertakings. 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 the group. There were no other related party transactions requiring disclosure.

c. Consolidation

The company is exempt from the requirement to prepare group accounts under section 400 of the Companies Act 2006 as modified by the Overseas Companies Regulations 2009.

3. STAFF COSTS

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

SCADBURY FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2013 £'000	Year Ended 31 December 2012 £'000
Interest receivable from immediate parent undertaking (see note 8)	9,570	9,622

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2013 £'000	Year Ended 31 December 2012 £'000
Interest payable to group undertakings (see note 9)	7,760	7,684

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

a. Analysis of tax charge for the year:

	Year Ended 31 December 2013 £'000	Year Ended 31 December 2012 £'000
Current tax:		
Group relief payable	421	-
Adjustments in respect of prior years	-	91
Current tax charge for the year (see note b below)	421	91

Group relief represents amounts payable to group undertakings in consideration for the surrender of losses under group relief arrangements

b. Factors affecting tax 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 company for the year of 23 25% (31 December 2012 24 50%) to the profit on ordinary activities before taxation is as follows

	Year Ended 31 December 2013 £'000	Year Ended 31 December 2012 £'000
Profit on ordinary activities before taxation	1,810	1,938
Profit on ordinary activities multiplied by the weighted average rate in the UK 23 25% (2012 24 50%)	421	475
Group relief for nil consideration	-	(475)
Adjustments in respect of prior years	-	91
Current tax charge for the year	421	91

SCADBURY FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

7. FIXED ASSET INVESTMENTS

a. Investments in group undertakings

	<u>£'000</u>
Cost and Net Book Value	
At 31 December 2013 and at 31 December 2012	<u><u>853,404</u></u>

The principal subsidiary over which the company exercises control, and the effective percentage ownership interests in the ordinary shares held directly by the company at the year end is listed below

Name of company	Country of incorporation	Proportion of nominal value held	Number in Issue	Class of shares held	Nature of business
Scadbury II Assets Limited	Cayman Islands	100 %	984,916	Ordinary shares	Investment company

The group undertaking over which the company does not exercise control, and the effective percentage ownership interest in the shares held directly by the company at the year end is listed below

Name of company	Country of incorporation	Proportion of nominal value held	Number in Issue	Class of shares held	Nature of business
Scadbury Assets	England and Wales	1 62 %	61,773	Ordinary shares	Investment company

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

b. Other investments

Gilts

	<u>£'000</u>
At 31 December 2013 and at 31 December 2012	<u><u>1</u></u>

Other investments comprise UK Government Gilts bearing an interest rate of 2.75% and maturing on 22 January 2015

SCADBURY FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

8. DEBTORS

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

	31 December 2013	31 December 2012
	£'000	£'000
Amounts due from immediate parent and group undertakings (see note (i))	457,933	447,177
Group relief receivable	4,509	5,032
	462,442	452,209

- (i) Amounts due from immediate parent and group undertakings in the current and prior year include an amount of £405,092,885 advanced to Scadbury UK Limited, the company's immediate parent undertaking, under the terms of a loan facility dated 26 August 2009. This loan is unsecured, carries interest at a rate of 2.362% and is repayable on demand by the company.

In addition, amounts due from parent and group undertakings include an amount of £28,589,218 (31 December 2012: £27,402,314) in cash balances held on account by a fellow group undertaking.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

	31 December 2013	31 December 2012
	£'000	£'000
Amounts due to group undertakings (see note (i))	1,017,630	1,009,871
Group relief payable	1,085	-
	1,018,715	1,009,871

- (i) Amounts due to group undertakings in the current and prior year include an amount of £931,161,610 advanced by Scadbury II Assets Limited, a fellow group undertaking, under the terms of a loan facility dated 20 June 2011. The loan facility is unsecured, carries a variable interest rate and is repayable on demand by Scadbury II Assets Limited.

Amounts due to group undertakings in the current and prior year also include an amount of £67,644,085 advanced by Goldman Sachs International, a fellow group undertaking, under the terms of a loan facility dated 20 June 2011. The loan facility is unsecured, carries a variable interest rate and is repayable on demand by Goldman Sachs International.

SCADBURY FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

10 CALLED UP SHARE CAPITAL

At 31 December 2013 and 31 December 2012 share capital comprised

	31 December 2013		31 December 2012	
	No.	£	No.	£
<u>Allotted, called up and fully paid</u>				
Ordinary shares of £0.01 each	1,229,499	12,295	1,229,499	12,295
		<u>12,295</u>		<u>12,295</u>

11. SHARE PREMIUM ACCOUNT AND RESERVES

	Share Premium Account £'000	Other Reserves £'000	Profit and Loss Account £'000
At 31 December 2012	437,553	36,457	(178,279)
Profit for the year	-	-	1,389
At 31 December 2013	<u>437,553</u>	<u>36,457</u>	<u>(176,890)</u>

Other reserves consist of a capital contribution received from Scadbury UK Limited, the immediate parent undertaking

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	31 December 2013 £'000	31 December 2012 £'000
Profit for the year	1,389	1,847
Net increase in shareholder's funds	1,389	1,847
Opening shareholder's funds	295,743	293,896
Closing shareholder's funds	<u>297,132</u>	<u>295,743</u>

13. FINANCIAL RISK MANAGEMENT

The company is exposed to financial risk through its 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 (see note 1c). Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the most important components of financial risk the directors consider relevant to the company are liquidity risk, interest rate risk and credit risk. The company, as part of a global group, adheres to global risk management policies and procedures.

14. FINANCIAL COMMITMENTS AND CONTINGENCIES

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

SCADBURY FUNDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

15. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

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

The ultimate parent undertaking and the parent company of the largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated 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/.