

002526/20

Company Number. FC028614
Cayman Company Number: MC-217152

KPL FINANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2012

FRIDAY



L2HS7XGX

L22

27/09/2013

#407

COMPANIES HOUSE

KPL FINANCE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 December 2012

1. Principal activities

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

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

The principal activity of the company is to undertake investment business

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 profit and loss account for the year is set out on page 3. Profit on ordinary activities before taxation was US\$3,247,000 for the year ended 31 December 2012 (year ended 31 December 2011: US\$5,202,000). The company has total assets of US\$2,945,351,000 (31 December 2011: US\$2,842,276,000).

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.

3. Dividends

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

4. Exchange rate

The US dollar / sterling exchange rate at the balance sheet date was 1.6244 (31 December 2011: 1.5511). The average rate for the year was 1.5925 (year ended 31 December 2011: 1.6103).

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
M. A. Allen		26 June 2013
O. J. Bingham	1 August 2013	
W. T. Gasson		
S. B. Scobie		
R. J. Taylor	26 June 2013	1 August 2013

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

6. Financial risk management

The company's risk management objectives and policies, as well as its risk exposures, are described in note 12 to the financial statements.

KPL FINANCE LIMITED

REPORT OF THE DIRECTORS (continued)

7. 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

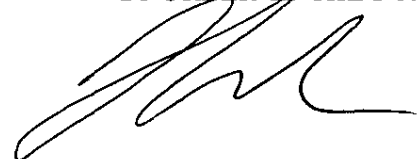
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,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

8. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 15 AUGUST 2013

BY ORDER OF THE BOARD



Director
O.J. BINGHAM

KPL FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2012

		Year Ended 31 December 2012	Year Ended 31 December 2011
	Note	US\$'000	US\$'000
Interest receivable and similar income	4	103,032	(21 523)
Interest payable and similar charges	5	(99,771)	26,758
Administrative expense		(14)	(33)
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	3 247	5 202
Tax on profit on ordinary activities	6	43	(1,396)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND FOR THE FINANCIAL YEAR	10	3,290	3,806

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

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 9 form an integral part of these financial statements

KPL FINANCE LIMITED

BALANCE SHEET

as at 31 December 2012

	Note	31 December 2012 US\$'000	31 December 2011 US\$'000
CURRENT ASSETS			
Debtors	7	2 945 351	2,842,276
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(2,797 117)	(2 697 332)
NET CURRENT ASSETS AND NET ASSETS		<u>148 234</u>	<u>144 944</u>
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Share premium account	10	136,132	136,132
Profit and loss account	10	12 101	8,811
TOTAL SHAREHOLDERS' FUNDS	11	<u>148 234</u>	<u>144,944</u>

The financial statements were approved by the Board of Directors on 15 AUGUST 2013 and signed on its behalf by



Director
O.J. BINGHAM

The notes on pages 5 to 9 form an integral part of these financial statements
Company number FC028614 / Cayman company number MC-217152

KPL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

1 ACCOUNTING POLICIES

a Accounting convention

The financial statements have been prepared on a 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.

b. Financial assets and liabilities

Financial assets and liabilities primarily comprise amounts due from 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.

c. Foreign currencies

Transactions denominated in foreign currencies are translated into US dollars at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses that relate to other borrowings are presented in the profit and loss account within interest receivable and interest payable. All other foreign exchange gains and losses are recognised in the profit and loss account within administrative expenses.

d. 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 OPERATING PROFIT

	Year Ended 31 December 2012 US\$'000	Year Ended 31 December 2011 US\$'000
Operating profit is stated after charging:		
Foreign exchange loss	(14)	(33)

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.

KPL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2012 US\$'000	Year Ended 31 December 2011 US\$'000
Net finance income / (costs)	103,032	(21,523)

Net finance income / (costs) comprise interest income of US\$54,931,666 (year ended 31 December 2011 US\$60,096,652) and foreign exchange gains of US\$48,100,000 (year ended 31 December 2011 losses of US\$(81,620,000)) arising on loans advanced to group undertakings (see note 7)

5 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2012 US\$'000	Year Ended 31 December 2011 US\$'000
Net finance costs / (income)	99,771	(26,758)

Net finance costs / (income) comprises interest expense of US\$51,671,056 (year ended 31 December 2011 US\$54,861,727) and foreign exchange losses of US\$48,100,000 (year ended 31 December 2011 gains of US\$(81,620,000)) arising on the revaluation of amounts due to group undertakings at the year end (see note 8)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

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

	Year Ended 31 December 2012 US\$'000	Year Ended 31 December 2011 US\$'000
Current tax:		
Group relief (receivable) / payable	(13)	1,396
Adjustments in respect of prior periods	(30)	-
Total current tax (see note b below)	(43)	1,396

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

KPL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

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

The difference between the total current tax shown above and the amount calculated by applying the weighted average rate of UK corporation tax applicable to the company for the year of 24.5% (31 December 2011: 26.5%) to the profit on ordinary activities before tax is as follows

	Year Ended 31 December 2012 US\$'000	Year Ended 31 December 2011 US\$'000
Profit on ordinary activities before taxation	3,247	5,202
Profit on ordinary activities multiplied by the weighted average rate in the UK 24.5% (2011: 26.5%)	796	1,379
Group relief for nil consideration	(796)	-
Exchange differences	(13)	17
Adjustment in respect of prior periods	(30)	-
Current tax (credit) / charge for the year	(43)	1,396

7. DEBTORS

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

	31 December 2012 US\$'000	31 December 2011 US\$'000
Amounts due from group undertakings (see note (i))	2,802,670	2,701,913
Amounts due from parent undertakings (see note (ii))	142,681	140,363
	2,945,351	2,842,276

(i) Amounts due from group undertakings in the current and prior year include loans of €900,000,000 (US\$1,187,928,000) and €1,100,000,000 (US\$1,451,912,000) (31 December 2011: €900,000,000 (US\$1,166,283,000) and €1,100,000,000 (US\$1,425,457,000)) advanced to Shire UK Limited, a fellow group undertaking, on 30 September 2008. These loans are unsecured, carry interest at a rate of EURIBOR plus 0.75% and are repayable on demand by the company.

(ii) Amount due from parent undertaking in the current and prior year includes a loan of US\$135,492,235 advanced by the company to its immediate parent undertaking, Goldman Sachs Group Holdings (UK) on 23 November 2009. This loan is unsecured, carries interest at 1.71% and is repayable on demand by the company.

KPL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

8. CREDITORS- AMOUNTS FALLING DUE WITHIN ONE YEAR

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

	31 December 2012	31 December 2011
	US\$'000	US\$'000
Amounts due to parent undertaking (see note (i))	2,793,693	2,693,922
Amounts due to group undertaking	-	111
Group relief payable	3,424	3,299
	2,797,117	2,697,332

- (i) Amounts due to parent undertakings include loans of €900,000,000 (US\$1,187,928,000) and €1,100,000,000 (US\$1,451,912,000) (31 December 2011 €900,000,000 (US\$1,166,283,000) and €1,100,000,000 (US\$1,425,457,000)) advanced on 27 November 2009 by Goldman Sachs Group Holding (U K) Limited. These loans are unsecured, carry interest at a rate of EURIBOR plus 0.60% and are repayable on demand by the lender.

9. CALLED UP SHARE CAPITAL

At 31 December 2012 and 31 December 2011 share capital comprised

	31 December 2012		31 December 2011	
	No	US\$	No.	US\$
<u>Allotted, called up and fully paid</u>				
Ordinary Shares of £0.00001 each	1	-	1	-
Ordinary Shares of US\$0.00001 each	136,133,552	1,361	136,133,552	1,361
		1,361		1,361

The ordinary shares of US\$0.00001 and £0.00001 rank pari-passu in all respects.

10. SHARE PREMIUM ACCOUNT AND RESERVES

	Share Premium Account	Profit and Loss Account
	US\$'000	US\$'000
At 31 December 2011	136,132	8,811
Profit for the year	-	3,290
At 31 December 2012	136,132	12,101

KPL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2012	31 December 2011
	US\$'000	US\$'000
Profit for the year	3 290	3,806
Net increase in shareholders' funds	3,290	3,806
Opening shareholders' funds	144,944	141,138
Closing shareholders' funds	148,234	144,944

12. 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. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the directors consider interest rate risk and liquidity risk to be the most important component of financial risk relevant to the company. The company, as part of a global group, adheres to global risk management policies and procedures.

13. FINANCIAL COMMITMENTS AND CONTINGENCIES

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

14. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

The immediate parent undertaking and the parent company of the smallest group for which consolidated financial statements are prepared is Goldman Sachs Group Holdings (U.K.) Limited, a company incorporated in Great Britain and registered in England and Wales. 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/.