

Company Number: 09042100



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GOLDMAN SACHS MB SERVICES LIMITED

ANNUAL REPORT

31 DECEMBER 2019

GOLDMAN SACHS MB SERVICES LIMITED

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2019.

1. Introduction

The principal activity of Goldman Sachs MB Services Limited (the company) is to undertake fund management services.

The company's immediate parent undertaking is Goldman Sachs Group UK Limited (GSG UK), a company incorporated and domiciled in England and Wales.

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 2019. Comparative information has been presented for the year ended 31 December 2018.

The results for the year are shown in the profit and loss account on page 7. Profit before taxation for the year ended 31 December 2019 was US\$57,000 (2018: US\$78,000).

The company had total assets of US\$9.1 million as at 31 December 2019 (31 December 2018: US\$8.4 million).

3. Exchange rate

The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US\$1.3265 (31 December 2018: £ / US\$1.2743). The average rate for the year was £ / US\$1.2792 (2018: £ / US\$1.3297).

4. Future outlook and going concern

In late 2019, the directors notified the Financial Conduct Authority (FCA) of the company's intention to cease acting as an authorised Alternative Investment Fund Manager (AIFM) to the Alternative Investment Funds (AIF) and to take steps to apply to the FCA to be de-authorised as an authorised AIFM. It is expected that upon the completion of this de-authorisation process, the company would be wound down in an orderly manner. Accordingly, the going concern basis is not appropriate and the financial statements have been prepared on a basis other than going concern. There is no impact to the company's balance sheet and profit and loss account as a result of this basis of preparation.

In December 2019, an outbreak of a coronavirus disease (COVID-19) emerged globally and became more widespread in 2020. The extent of the impact of COVID-19 on the company's operational and financial performance will depend on future developments, including the duration and continued spread of the outbreak.

5. Principal risks and uncertainties

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

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

GOLDMAN SACHS MB SERVICES LIMITED

STRATEGIC REPORT (continued)

6. Principal decision making and stakeholder engagement

In performing their functions, the directors are guided by the Code of Business Conduct and Ethics and the risk and governance framework of GS Group as well as the corporate governance framework of the company.

By doing so, the directors adhere to their duties set out in section 172(1)(a)-(f) of the Companies Act 2006 to promote the success of the company for the benefit of its members as a whole and having regard for its stakeholders, the community and the environment, namely by having regard to:

- a) the likely consequences of any decision in the long term;
- b) the need to foster the company's business relationships with, suppliers, customers and 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.

The company identifies its key member as Goldman Sachs Group UK Limited (the sole shareholder of the company). The company serves as a fund management company for its underlying funds, it sub-delegates certain functions, such as portfolio management, to group undertakings, and has no employees.

7. Date of authorisation of issue

The strategic report was authorised for issue by the Board of Directors on 23 of April 2020.

ON BEHALF OF THE BOARD



M. R. Ramirez-Espain Sotelo
Director

GOLDMAN SACHS MB SERVICES LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2019.

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 future outlook of the company in the strategic report in accordance with section 414C(11) of the Companies Act 2006. The company's risk management objectives and policies, including exposures to credit risk and liquidity risk are described in note 12 to the financial statements.

2. Dividends

The directors do not recommend the payment of a dividend in respect of the year (2018: 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/she 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.

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, except where noted otherwise, and to the date of this report were:

Name	Resigned
R. Levy	9 January 2020
P. A. McSpadden	14 June 2019
M. D. C. Olivier	6 December 2019
M. R. Ramirez-Espain Sotelo (Chairman)	
A. E. Wolff	28 February 2020

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

GOLDMAN SACHS MB SERVICES LIMITED

DIRECTORS' REPORT (continued)

6. Statement of directors' responsibilities

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 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 financial statements, the directors are required to:

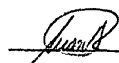
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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 23 April 2020.

ON BEHALF OF THE BOARD



M. R. Ramirez-Espain Sotelo
Director

**Independent auditors' report to the members of
Goldman Sachs MB Services Limited**

Report on the audit of the financial statements

Opinion

In our opinion, Goldman Sachs MB Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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 2019; 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.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

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 2019 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.

**Independent auditors' report to the members of
Goldman Sachs MB Services Limited**

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 set out on page 4, 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.

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.

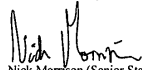
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received 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.



Nick Morrison (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London
23 April 2020

GOLDMAN SACHS MB SERVICES LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2019

		Year ended 31 December 2019	Year ended 31 December 2018
	Note	US\$'000	US\$'000
Turnover		36,701	35,600
Administrative expenses	4	(36,644)	(35,522)
OPERATING PROFIT AND PROFIT BEFORE TAXATION		57	78
Tax on profit	7	(13)	(15)
PROFIT FOR THE FINANCIAL YEAR		44	63

The operating profits 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.

GOLDMAN SACHS MB SERVICES LIMITED

BALANCE SHEET

as at 31 December 2019

	Note	31 December 2019 US\$'000	31 December 2018 US\$'000
CURRENT ASSETS			
Debtors	8	9,132	8,413
		9,132	8,413
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(3,813)	(3,138)
NET CURRENT ASSETS AND NET ASSETS		5,319	5,275
CAPITAL AND RESERVES			
Called up share capital	10	5,000	5,000
Profit and loss account		319	275
TOTAL SHAREHOLDER'S FUNDS		5,319	5,275

The financial statements were approved by the Board of Directors on 23 April 2020 and signed on its behalf by:



M. R. Ramirez-Espain Sotelo
Director

The accompanying notes are an integral part of these financial statements.
Company number: 09042100

GOLDMAN SACHS MB SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2019

	Called up share capital US\$'000	Profit and loss account US\$'000	Total shareholder's funds US\$'000
Balance at 1 January 2018	5,000	212	5,212
Profit for the financial year	-	63	63
Balance at 31 December 2018	5,000	275	5,275
Profit for the financial year	-	44	44
Balance at 31 December 2019	5,000	319	5,319

No dividends were paid in 2019 and 2018.

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

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

1. GENERAL INFORMATION

The company is a private limited company 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 company's immediate parent undertaking is Goldman Sachs Group UK Limited (GSG UK), 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/.

Basel III Pillar 3 disclosures

The company is included in the consolidated Pillar 3 disclosures of GSG UK, as required by the CRR. GSG UK's 30 November 2019 Pillar 3 disclosures will be made available in conjunction with the publication of its consolidated financial information at www.goldmansachs.com/disclosures.

Country-by-Country Reporting

The company is included in the consolidated country-by-country reporting disclosures of GSG UK, which are required by the Capital Requirements (Country-by-Country Reporting) Regulations 2013. GSG UK's 2019 country-by-country disclosures will be made available by 31 December 2020 at www.goldmansachs.com/disclosures.

2. ACCOUNTING POLICIES

a. Basis of preparation

These financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

The following exemptions from the disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the E.U. 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) IFRS 15 'Revenue from Contracts with Customers', second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129;
- (iii) IAS 1 'Presentation of Financial Statements' paragraphs 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraphs 79(a)(iv);
- (iv) IAS 1 'Presentation of Financial Statements' paragraphs 10(f), 16, and 40A-D;
- (v) IAS 7 'Statement of Cash Flows';
- (vi) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;
- (vii) IAS 24 'Related Party Disclosures' paragraph 17; and
- (viii) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within GS Group.

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

b. Going concern

In late 2019, the directors notified the Financial Conduct Authority (FCA) of the company's intention to cease acting as an authorised Alternative Investment Fund Manager (AIFM) to the Alternative Investment Funds (AIF) and to take steps to apply to the FCA to be de-authorised as an authorised AIFM. It is expected that upon the completion of this de-authorisation process, the company would be wound down in an orderly manner. Accordingly, the going concern basis is not appropriate and the financial statements have been prepared on a basis other than going concern. There is no impact to the company's balance sheet and profit and loss account as a result of this basis of preparation.

c. Revenue recognition

Turnover comprises fund management fees and is recognised on an accruals basis and is generally calculated as a percentage of the fund's average net asset value. All management fees are recognised over the period that the related service is provided.

In cases where the company is principal to a transaction, the company recognises revenue on contracts with clients, gross of expenses incurred to satisfy some or all of its performance obligations. The company is principal to a transaction if it has the primary obligation to provide the service to the client. The company satisfies the performance obligation by itself, or by engaging other GS Group entities to satisfy some or all of its performance obligations on its behalf. Such revenue is recognised in turnover and expenses incurred are recognised in administrative expenses.

d. Dividends

Final equity 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 equity dividends are recognised and deducted from equity when paid.

e. 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 ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account.

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

f. Current and deferred tax

The tax expense for the year comprises current 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. Financial assets and financial liabilities

(i) Recognition and derecognition

Financial assets and financial liabilities, including derivative instruments, 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 financial assets measured at amortised cost 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 company's business model is to hold the assets to collect contractual cash flows and the cash flows represent solely payments of principal and interest. If these conditions were not met, the financial assets would be mandatorily measured at fair value through profit or loss.

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.

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

g. Financial assets and financial liabilities (continued)

(ii) Classification and measurement(continued)

The company classifies financial liabilities as financial liabilities measured at amortised cost.

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 the profit and loss account.

(iii) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet where there is:

(i) Currently a legally enforceable right to set off the recognised amounts; and

(ii) Intent to settle on a net basis or to realise the asset and settle the liability simultaneously.

Where these conditions are not met, other financial assets and financial liabilities are presented on a gross basis on the balance sheet.

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. In the opinion of management, there were no judgements made that had a significant effect on amounts recognised in the financial statements.

4. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2019	Year ended 31 December 2018
	US\$'000	US\$'000
Foreign exchange losses/(gains)	5	(4)
Management fees charged by group undertakings	390	437
Fees charged by group undertakings for sub-delegated functions	36,206	35,000
Auditors' remuneration - audit services	18	15
Other expenses	25	74
	<u>36,644</u>	<u>35,522</u>

Management fees charged by group undertakings relate to operational and administrative support, and management services received from group undertakings.

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

5. STAFF COSTS

As in the prior year, the company has no employees. All persons involved in the company's operations are employed by fellow group undertakings. The charges made by these group undertakings for all services provided to the company are included in the management fees charged by group undertakings (see note 4).

6. DIRECTORS' EMOLUMENTS

The table below presents the company's directors' emoluments:

	Year ended 31 December 2019	Year ended 31 December 2018
	US\$'000	US\$'000
Aggregate emoluments	<u>81</u>	<u>106</u>
Highest paid director:		
Aggregate emoluments	38	46

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. This total only includes the value of cash and benefits in kind, and does not include the value of equity awards in accordance with the provisions of Schedule 5 of Statutory Instrument 2008/410. Directors also receive emoluments for non-qualifying services which are not required to be disclosed.

For persons who were directors for some or all of the period, four directors were members of a defined contribution scheme during the year. Four directors have received or are due to receive Group Inc. shares in respect of a long-term incentive scheme during the year. No director has exercised stock options during the year.

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

7. TAX ON PROFIT

	Year ended 31 December 2019	Year ended 31 December 2018
	US\$'000	US\$'000
Current tax:		
U.K. corporation tax	13	15
Total tax on profit	13	15

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% (2018: 19%) to the profit before taxation.

	Year ended 31 December 2019	Year ended 31 December 2018
	US\$'000	US\$'000
Profit before taxation	57	78
Profit multiplied by the weighted average rate in the U.K. of 19% (2018: 19%)	11	15
Exchange differences	2	-
Total tax on profit	13	15

8. DEBTORS

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

	31 December 2019	31 December 2018
	US\$'000	US\$'000
Amounts due from group undertakings	6,115	5,605
Amounts due from customers	3,017	2,798
Group relief receivable	-	10
	9,132	8,413

Amounts due from group undertakings includes US\$6.1 million (31 December 2018: US\$5.3 million) in cash balances held on account by a fellow group undertaking.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2019	31 December 2018
	US\$'000	US\$'000
Amounts due to group undertakings	3,788	3,092
Group relief payable	25	46
	3,813	3,138

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

10. CALLED UP SHARE CAPITAL

At 31 December 2019 and 31 December 2018 called up share capital comprised:

	31 December 2019		31 December 2018	
	No.	US\$'000	No.	US\$'000
<u>Allotted, called up and fully paid</u>				
Ordinary shares of \$1 each	5,000,000	<u>5,000</u>	5,000,000	<u>5,000</u>

11. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company has no financial commitments and contingencies outstanding at the year end (31 December 2018: US\$nil).

12. 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 its equity capital is determined by multiple factors including the company's current and future regulatory capital requirements, the results of the company's capital planning and other factors such as the business environment and conditions in the financial markets.

During 2019 and 2018, the company was in compliance with the capital requirements set by the FCA.

Tier 1 capital as at 31 December 2019 was US\$5.3 million (31 December 2018: US\$5.3 million).

The directors consider that the most important components of the company's financial risk are credit risk and liquidity risk. The company, as part of a global group, adheres to global risk management policies and procedures. The directors consider market risk not significant to the company.

a. Credit risk

Credit risk represents the potential for loss due to the default or deterioration in the credit quality of counterparty. Credit risk is managed by reviewing the credit quality of counterparties and reviewing, if applicable, the underlying collateral against which the assets are secured. The company's maximum exposure to credit risk is equivalent to the carrying value of its financial assets as at 31 December 2019 and 31 December 2018. As at 31 December 2019, the company had no debtors past due or impaired (31 December 2018: US\$nil).

b. Liquidity risk

Liquidity risk is the risk that the company does not have sufficient cash 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.

GOLDMAN SACHS MB SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

13. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

a. Financial assets and financial liabilities by category

All financial assets and financial liabilities are categorised as held at amortised cost in the current year and prior years.

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

The company has US\$9.1 million (31 December 2018: US\$8.4 million) of current financial assets and US\$3.8 million (31 December 2018: US\$3.1 million) of current financial liabilities that are not measured at fair value. Given the short-term nature of these instruments, the carrying amounts of the financial assets and financial liabilities on the balance sheet are a reasonable approximation of fair value.

c. Maturity of financial liabilities

All financial liabilities are due within one month of the balance sheet date.

14. NON-ADJUSTING POST BALANCE SHEET EVENTS

In December 2019, an outbreak of a coronavirus disease (COVID-19) emerged globally and became more widespread in 2020. The extent of the impact of COVID-19 on the Company's operational and financial performance will depend on future developments, including the duration and continued spread of the outbreak.