

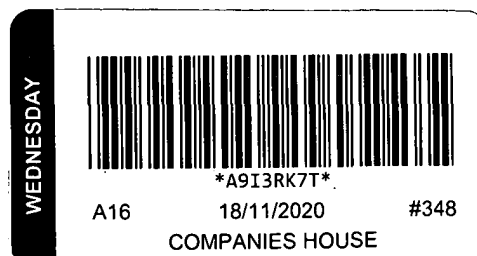
**MACQUARIE HOLDINGS (UK) NO.1 LIMITED**

COMPANY NUMBER 06309919

Directors' Report and Financial Statements  
for the financial year ended 31 March 2020



The Company's registered office is:  
Ropemaker Place  
28 Ropemaker Street  
London EC2Y 9HD  
United Kingdom



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# Macquarie Holdings (UK) No.1 Limited

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# Macquarie Holdings (UK) No.1 Limited

Company Number 06309919

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## Directors' Report for the financial year ended 31 March 2020

In accordance with a resolution of the Directors (the "Directors") of Macquarie Holdings (UK) No.1 Limited (the "Company"), the Directors submit herewith the audited financial statements of the Company and report as follows:

As the Company meets the qualifying conditions under section 382 of the Companies Act 2006 (the "Act"), the Directors have taken advantage of the exemption provided in section 414B (as incorporated into the Act by the Strategic Report and Directors' Report Regulations 2013) of the Act for the preparation of a Strategic Report.

### Directors and Secretaries

The Directors who each held office as a Director of the Company throughout the financial year and until the date of this report, unless disclosed otherwise, were:

K Burgess (resigned 4 February 2020)  
B Donnelly (appointed 4 February 2020)  
D Fass (resigned 11 July 2019)  
P Nash (appointed 4 February 2020)  
P Plewman

The Secretary who held office as a Secretary of the Company throughout the financial year and until the date of this report, unless disclosed otherwise, was:

H Everitt

### Principal activities

The principal activity of the Company during the financial year ended 31 March 2020 was to act as a holding company for Macquarie Bank International Limited ("MBIL").

### Results

The result for the financial year ended 31 March 2020 was £nil (2019: £nil).

The net assets for the financial year ended 31 March 2020 were £330,000,000 (2019: £330,000,000).

### Dividends paid or provided for

No dividends were paid or provided for during the financial year ended 31 March 2020 (2019: £nil).

No final dividend has been proposed.

### State of affairs

There were no significant changes in the state of affairs of the Company that occurred during the current financial year under review not otherwise disclosed in the Directors' report.

## Directors' Report for the financial year ended 31 March 2020 (continued)

### Principal risks and uncertainties

#### Brexit

On 29 March 2017, the United Kingdom invoked Article 50 of the Lisbon Treaty and officially notified the EU of its decision to withdraw from the EU (known as "Brexit"). The UK government and the EU Commission subsequently agreed an Article 50 Withdrawal Agreement, pursuant to which a transition period commenced which will last until 31 December 2020 (unless otherwise extended under the terms of the Article 50 Withdrawal Agreement). The economic, regulatory and legal environment as a result of Brexit will depend on the nature of the post-Brexit arrangements. In order to mitigate the impacts of Brexit which may result in the loss of EU passporting rights for UK regulated entities, the Macquarie Group has established a new credit institution headquartered in Ireland which has branches in France and Germany and passporting rights across the European Economic Area ("EEA"). MBIL, the Company's subsidiary, is in the process of novating or transferring certain derivatives, loans and leases to other Macquarie Group entities (including the Irish credit institution).

### Events after the reporting period

In September 2020, MBIL entered into agreements to facilitate the novation or transfer of certain derivatives, loans and leases to other Macquarie Group entities, to mitigate the impacts of Brexit.

At the date of this report, the Directors are not aware of any other matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 31 March 2020 not otherwise disclosed in this report.

### Likely developments, business strategies and prospects

#### IBOR reform: Transition from inter-bank offered rates (IBOR) to alternative reference rates (ARRs)

IBOR are interest rate benchmarks that are used in a wide variety of financial instruments such as derivatives and lending arrangements. Examples of IBOR include 'LIBOR' (the London Inter-bank Offered Rate) and 'EURIBOR' (the Euro Inter-bank Offered Rate). Each IBOR is calculated and published daily based on submissions by a panel of banks. Over time, changes in interbank funding markets have meant that IBOR panel bank submissions have become based less on observable transactions and more on expert judgement. Financial markets' authorities reviewed what these changes meant for financial stability, culminating in recommendations to reform major interest rate benchmarks. As a result of these recommendations, many IBOR around the world are undergoing reforms.

During 2018, Macquarie Holdings (UK) No.1 Limited's ultimate parent Macquarie Group Limited ("MGL") initiated a project, which is sponsored by its Chief Financial Officer (CFO), to manage the impacts of IBOR reform, including overseeing the transition from LIBOR to ARR. A group-wide steering committee was established with its key responsibility being the governance of the project. This committee includes senior executives from MGL's Operating Groups, Financial Management Group (FMG), Risk Management Group (RMG), Corporate Operations Group (COG) and Legal and Governance team. The project is wide in scope including identification of the impact of the reform on the separate legal entities within the Consolidated MGL Group (including the Company) and implementing necessary changes in those legal entities.

#### Coronavirus (COVID-19)

COVID-19, which is a respiratory illness caused by a new virus, was declared a world-wide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, have since had a significant impact on global economies and equity, debt and commodity markets.

## Directors' Report

for the financial year ended 31 March 2020 (continued)

### Likely developments, business strategies and prospects (continued)

#### Coronavirus (COVID-19) (continued)

A robust risk management framework continues to be applied and RMG continues to monitor the impact of COVID-19 on the Company's risk profile. Non-financial risks emerging from global movement restrictions, and remote working by our staff, counterparties, clients and suppliers, are being identified, assessed, managed and governed through timely application of the Company's risk management framework. Accounting considerations on Company's results is disclosed under Note 2.

The Directors believe that no other significant changes are expected other than those already disclosed in this report.

### Indemnification and insurance of Directors

As permitted by the Company's Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The ultimate parent, MGL, purchased and maintained throughout the financial year Directors' liability insurance in respect of the Company and its Directors.

### 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 financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "*Reduced Disclosure Framework*", and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these 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 United Kingdom Accounting Standards, comprising FRS 101 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 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 enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors 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.

**Directors' Report**

for the financial year ended 31 March 2020 (continued)

**Disclosure of information to auditors**

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent auditors**

Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each financial year unless the Directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements, the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board.



Phillip Nash  
Director  
3 November 2020

# ***Independent auditors' report to the members of Macquarie Holdings (UK) No. 1 Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Macquarie Holdings (UK) No. 1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its result 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 Directors' Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2020; 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.

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### **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.

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### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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### **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.

# ***Independent auditors' report to the members of Macquarie Holdings (UK) No. 1 Limited (continued)***

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## **Reporting on other information (continued)**

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 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.

### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2020 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 Directors' Report.

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## **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](http://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.



# ***Independent auditors' report to the members of Macquarie Holdings (UK) No. 1 Limited (continued)***

## **Other required reporting**

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### **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.

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### **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.



Martin Cross (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors

London

3 November 2020

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# Macquarie Holdings (UK) No.1 Limited

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## Financial Statements

### Profit and loss account for the financial year ended 31 March 2020

	Note	2020 £'000	2019 £'000
<b>Result before taxation</b>	3	-	-
Tax on result		-	-
<b>Result for the financial year</b>		-	-

The above profit and loss account should be read in conjunction with the accompanying notes, which form an integral part of the financial statements.

There were no other comprehensive income and expenses other than those included in the results above and therefore no separate statement of comprehensive income has been presented.

# Macquarie Holdings (UK) No.1 Limited

## Balance sheet as at 31 March 2020

	Note	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Investments	4	330,000	330,000
<b>Total assets less current liabilities</b>		<b>330,000</b>	<b>330,000</b>
<b>Net assets</b>		<b>330,000</b>	<b>330,000</b>
<b>Shareholders' funds</b>			
Called up share capital	5	330,000	330,000
<b>Total shareholders' funds</b>		<b>330,000</b>	<b>330,000</b>

The above balance sheet should be read in conjunction with the accompanying notes, which form an integral part of the financial statements.

The financial statements on pages 9 to 16 were authorised for issue by the Board of Directors on 3 November 2020 signed on its behalf by:



Phillip Nash  
Director

# Macquarie Holdings (UK) No.1 Limited

## Statement of changes in equity for the financial year ended 31 March 2020

	Note	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance at 1 April 2018		200,000	-	200,000
Result for the financial year		-	-	-
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	-	-
Issue of share capital	5	130,000	-	130,000
<b>Balance at 31 March 2019</b>		<b>330,000</b>	<b>-</b>	<b>330,000</b>
Result for the financial year		-	-	-
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	-	-
<b>Balance at 31 March 2020</b>		<b>330,000</b>	<b>-</b>	<b>330,000</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes, which form an integral part of the financial statements.

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# Macquarie Holdings (UK) No.1 Limited

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## Notes to the financial statements for the financial year ended 31 March 2020

### Note 1. Company information

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of its registered office is Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD, United Kingdom.

### Note 2. Summary of significant accounting policies

#### i) Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

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

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the Company and its subsidiary undertaking are included in full consolidation in the consolidated financial statements of its ultimate parent MGL, a company incorporated in Australia.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

In accordance with FRS 101, the Company has availed of an exemption from the following paragraphs of IFRS:

- The requirements of paragraphs 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1 (reconciliation of shares outstanding).
- The requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D and 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements' (additional comparatives and capital management disclosures).
- The requirements of IAS 7 'Statement of Cash Flows'.
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- The requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation).
- The requirements of IAS 24 to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the group.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 'Impairment of Assets'.

#### Critical accounting estimates and significant judgements

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company and the financial statements such as:

- judgements or the identification of indicators of impairment on investment in subsidiary (Notes 2(v) and Note 4);

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Management believes that estimates used in preparing the financial report are reasonable. Actual results in the future may differ from those reported and therefore it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from management's assumptions and estimates could require an adjustment to the carrying amounts of the reported assets and liabilities.

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# Macquarie Holdings (UK) No.1 Limited

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## Notes to the financial statements for the financial year ended 31 March 2020 (continued)

### Note 2. Summary of significant accounting policies (continued)

#### i) Basis of preparation (continued)

##### Critical accounting estimates and significant judgements (continued)

##### Coronavirus (COVID-19) impact

###### Background

The onset of COVID-19 resulted in the application of further judgement within identified risk areas discussed further below. Given the dynamic and evolving nature of COVID-19, limited recent experience of the economic and financial impacts of such a pandemic, and the short duration between the declaration of the pandemic and the preparation of these financial statements, changes to the estimates and outcomes that have been applied in the measurement of the Company's assets and liabilities may arise in the future. Other than adjusting events that provide evidence of conditions that existed at the end of the reporting period, the impact of events that arise after the reporting period will be accounted for in future reporting periods.

###### Processes applied

As a consequence of COVID-19 and in preparing these financial statements, management:

- re-evaluated whether there were any additional areas of judgement or estimation uncertainty beyond what has been disclosed above;
- conducted several internal processes to ensure consistency in the application of the expected impact of COVID-19 across all asset classes;
- assessed the carrying values of its assets and liabilities and determined the impact thereon as a result of market inputs and variables impacted by COVID-19; and
- considered the impact of COVID-19 on the Company's financial statement disclosures.

##### Consideration of the statements of financial position and further disclosures

Key statements of financial position sheet items and related disclosures that have been impacted by COVID-19 were as follows:

###### Investments in subsidiary

When it has been assessed that there is an indicator of impairment the Company tests the carrying amount of each of its investments for impairment, by comparing the investment's recoverable amount with its carrying value. In addition to the Company assessing its investments in subsidiaries for impairment, the Company re-affirmed that there were no circumstances as a result of COVID-19 that would affect the existing control conclusion for its subsidiaries, including structured entities, nor did it highlight instances in which the Company now had control of such entities. Refer to Note 4.

##### New Accounting Standards and amendments to Accounting Standards and that are either effective in the current financial year or have been early adopted

The new accounting Standard IFRS 16 *Leases*, amendments to accounting Standards IAS 23 *Borrowing costs* and IAS 19 *Employee benefits*; and IFRS 23 Interpretation 23 *Uncertainty over Income Tax Treatment* that are effective for the year ended 31 March 2020 did not have a material impact on the Company's financial statements.

#### ii) Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### iii) Foreign currency translation

##### *Functional and presentation currency*

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. The Company's financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

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# Macquarie Holdings (UK) No.1 Limited

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## Notes to the financial statements for the financial year ended 31 March 2020 (continued)

### Note 2. Summary of significant accounting policies (continued)

#### iv) Investments

##### *Investment in subsidiary*

Subsidiaries are all those entities (including structured entities) over which the Company has the power to direct the relevant activities of the entity, exposure, or rights, to significant variable returns and the ability to utilise power to affect the Company's own returns.

The determination of control is based on current facts and circumstances and is continuously assessed. The Company has power over an entity when it has existing substantive rights that give it the current ability to direct the entity's relevant activities. Relevant activities are those activities that significantly affect the entity's returns. The Company evaluates whether it has the power to direct the relevant activities. The Company also considers the entity's purpose and design. If the Company determines that it has power over an entity, the Company then evaluates whether it has exposure or rights to variable returns that, in aggregate, are significant.

All variable returns are considered in making that assessment including, but not limited to, debt or equity investments, guarantees, liquidity arrangements, variable fees and certain derivative contracts.

Subsidiaries held by the Company are carried in its financial statements at cost less impairment in accordance with IAS 27 Separate Financial Statements.

#### v) Impairment

##### *Investment in subsidiary*

Investments in subsidiaries in the Company's financial statements are reviewed annually for indicators of impairment or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is recognised for the amount by which the investment's carrying amount exceeds its recoverable amount, being the higher of fair value less costs to sell and value in use. At each reporting date, investments in subsidiaries that have been impaired are reviewed for possible reversal of impairment. The amount of any reversal of impairment recognised must not cause the investment's carrying value to exceed its original cost.

#### vi) Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# Macquarie Holdings (UK) No.1 Limited

## Notes to the financial statements for the financial year ended 31 March 2020 (continued)

### Note 3. Result before taxation

The Company had no employees during the current and previous financial year.

The Company incurred no current or deferred tax charges. No provision was made for current tax and no current or deferred tax balances were recognised.

The cost of auditors' remuneration for auditing services of £10,173 (2019: £6,977) and non auditing services of £11,631 (2019: £11,025) has been borne by Macquarie Bank International Limited, a wholly owned subsidiary within the Macquarie Group. The auditors received no other benefits.

### Note 4. Investments

	2020 £'000	2019 £'000
Investments at cost with no provision for impairment	330,000	200,000
On 21 September 2018, the Company subscribed to a further 130,000,000 ordinary shares of £1.00 each	-	130,000
<b>Total investments in subsidiary</b>	<b>330,000</b>	<b>330,000</b>

Name of investments	Nature of business	Registered office	% ownership	2020 £'000	2019 £'000
Macquarie Bank International Limited ("MBIL")	Licensed UK bank	Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD, United Kingdom	100	330,000	330,000
				<b>330,000</b>	<b>330,000</b>

### Note 5. Called up share capital

	2020 Number	2019 Number	2020 £'000	2019 £'000
<b>Ordinary share capital</b>				
Opening balance of fully paid ordinary shares of £1 per share	330,000,000	200,000,000	330,000	200,000
Issue of share capital fully paid ordinary shares of £1 per share on 21 September 2018	-	130,000,000	-	130,000
<b>Closing balance of fully paid ordinary shares</b>	<b>330,000,000</b>	<b>330,000,000</b>	<b>330,000</b>	<b>330,000</b>
<b>Authorised share capital</b>				
Ordinary shares of £1 per share	400,000,000	400,000,000	400,000	400,000



## Notes to the financial statements for the financial year ended 31 March 2020 (continued)

### Note 6. Related party information

During the year, a new Master Loan Agreement (the "MLA") replaced the Omnibus Loan and Deposit Agreement (the "Omnibus"), which contains the key terms for funding and related arrangements between various related body corporate entities which are under the common control of MGL. The MLA clarifies terms including tenor, pricing, settlement and offsetting terms for entities within the group. Substantially all entities which were a party to the Omnibus have acceded to the MLA.

The MLA excludes derivatives, repurchase agreements, broker settlements and stock lending-related balances. These, together with certain bespoke lending arrangements, have been presented on a gross basis as at 31 March 2020 and is not comparable with the previous year wherein they have been offset with other balances under the Omnibus.

As 100% of the voting rights of the Company are controlled within the group headed by MGL, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of MGL, within which the Company is included, can be obtained from the address given in Note 9.

The Company does not have any related party transactions or balances other than those with entities which form part of the Macquarie Group as mentioned above.

### Note 7. Directors' remuneration

During the financial years ended 31 March 2020 and 31 March 2019, all Directors, were employed by and received all emoluments from other Macquarie Group undertakings. The Directors perform Directors' duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, allocating their employment compensation accurately across all these duties would not be meaningful.

### Note 8. Contingent liabilities and commitments

The Company has no commitments or contingent liabilities which are individually material or a category of commitments or contingent liabilities which are material.

### Note 9. Ultimate parent undertaking

At 31 March 2020, the immediate parent undertaking of the Company is Macquarie Bank Limited, London Branch.

The ultimate parent undertaking and controlling party of the Company is MGL. The largest group to consolidate these financial statements is MGL, a company incorporated in Australia. The smallest group to consolidate these financial statements is Macquarie Bank Limited ("MBL"), a company incorporated in Australia. Copies of the consolidated financial statements for MGL and MBL can be obtained from the Company Secretary, Level 6, 50 Martin Place, Sydney, New South Wales, 2000 Australia.

### Note 10. Events after the reporting date

In September 2020, MBIL entered into agreements to facilitate the novation or transfer of certain derivatives, loans and leases to other Macquarie Group entities, to mitigate the impacts of Brexit.

There were no other material events subsequent to 31 March 2020 and up until the authorisation of the financial statements for issue, that have not been reflected in the financial statements.