



Goldman Sachs Group UK Limited

Country by  
Country  
Reporting

For the year ended December 31, 2017

## Introduction

Goldman Sachs Group UK Limited (GSGUKL), together with its subsidiary undertakings (collectively “GSGUK”), provides a wide range of financial services to clients located worldwide.

GSGUK is supervised on a consolidated basis by the Prudential Regulation Authority (PRA).

GSGUKL’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”. 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 majority of GSGUK’s business activity is conducted through legal entities incorporated in the United Kingdom and regulated by the PRA, including Goldman Sachs International (GSI), the firm’s broker dealer in Europe, Middle East and Africa (EMEA) region, and Goldman Sachs International Bank (GSIB), the firm’s U.K. registered bank.

GSGUK is required to comply with the provisions of Statutory Instrument 2013 No. 3118 Capital Requirements (Country-by-Country Reporting) Regulations 2013. These regulations have been transposed into U.K. law to impose certain reporting obligations on institutions within the United Kingdom within the scope of Capital Requirements Directive (CRD IV).

### Overview of the table

Table 1 below presents GSGUK’s turnover, profit/(loss) before tax, cash tax paid and number of employees, allocated on the basis of each entity’s tax domicile.

Turnover has been interpreted as net revenue and gives an illustration of the size of business in each country. Turnover is disclosed in accordance with local accounting requirements in each country resulting in an element of double counting across regions. These differences are adjusted for at the bottom of the table.

Corporation tax paid represents actual payments made in each country during 2017. Corporation tax paid in any given year does not generally relate to the profits earned in the same 12 month period, as tax on profits is paid across multiple years, and taxable profits are calculated based on tax legislation and can differ from accounting profits.

Employee numbers represent average full time equivalent employees including directors, consultants and temporary staff, consistent with the approach utilised in the audited financial statements of GSGUKL and its subsidiaries.

**Table 1: Country by Country Reporting for the year ended 31 December 2017**

As shown below, the majority of GSGUK's profit before tax arises in the United Kingdom. In 2017, GSGUK reported a tax expense of US\$624 million on accounting profits of US\$2,803 million, resulting in an effective tax rate of 22.3%.

GSGUK received no public subsidies during 2017.

*US\$ in thousands*

<b>Country</b>	<b>Net Revenues</b>	<b>Profit/(loss) before tax</b>	<b>Corporation tax paid/ (received)</b>	<b>Average number of employees</b>
United Kingdom	7,009,332	2,092,423	386,685	4,496
Cayman Islands	358,347	354,788	-	-
Luxembourg	264,107	252,601	(5)	-
United Arab Emirates	64,468	16,540	-	52
Germany	62,335	32,482	13,742	29
Italy	43,043	25,879	5,503	23
Spain	26,699	5,834	2,508	23
Sweden	21,805	5,349	491	28
Jersey	16,852	11,562	-	-
Republic of Ireland	13,494	3,381	746	9
Switzerland	8,661	1,099	290	9
Poland	8,221	1,628	40	1
South Africa	7,444	2,502	9,682	13
Turkey	3,886	3,645	311	3
Netherlands	3,821	1,671	15,099*	6
Isle of Man	2,659	(2,984)	-	-
Republic of Korea	365	(4,749)	1,393	6
Belgium	352	-	-	1
Qatar	276	27	3	-
China	34	(315)	-	-
U.K. Group consolidation adjustments	(9,179)	-	-	-
<b>TOTAL</b>	<b>7,907,022</b>	<b>2,803,363</b>	<b>436,488</b>	<b>4,699</b>

\* Includes US\$14,426,000 of taxes paid in 2016, which were not reported in the prior year.

**Table 2: List of legal entities included in the Country by Country Reporting for the year ended 31 December 2017 \***

<b>JURISDICTION</b>	<b>LIST OF ENTITIES</b>	<b>DESCRIPTION OF ACTIVITIES</b>
<b>United Kingdom</b>	Broad Street Principal Investments UK Limited	Investment company
	ELQ Investors VIII Ltd	Investment company
	European Index Assets B.V.	Investment company
	Fleet Trade & Transport Limited	Oil and shipping operations
	Goldman Sachs Asset Management Global Services Ltd	Asset management company
	Goldman Sachs Asset Management International	Asset management company
	Goldman Sachs Funding International Limited	Investment company
	Goldman Sachs Group Holdings (U.K.) Limited	Holding company
	Goldman Sachs Group U.K. Finance Limited	Investment company
	Goldman Sachs Group UK Limited	Holding company
	Goldman Sachs International	Financial services
	Goldman Sachs International Bank	Bond trading, lending and deposit taking activities
	Goldman Sachs MB Services Limited	Asset management company
	GS Index Funding Limited	Investment company
	GS Index Holdings Limited	Investment company
	GS Liquid Trading Platform II Limited	Investment company
	Nufcor International Limited	Commodities dealer
	Prosta Acquisitions Ltd	Investment company
	Titanium UK Holdco 1 Limited	Investment company
	Beheer -En Beleggingsmaatschappij Befraco B.V.	In liquidation
	CDV-3, Ltd	In liquidation
	Goldman Sachs Holdings (U.K.) Limited	In liquidation
	Paternoster Services Limited	In liquidation
	The Place for Living Limited	In liquidation
	Titanium UK Asset Co Limited	In liquidation
	Uberior Special Situations Limited	In liquidation
Scadbury UK Limited	Dissolved	
Shire UK Limited	Dissolved	
<b>Belgium</b>	Goldman Sachs International - Brussels Branch	Representation office of a securities dealer
<b>Cayman Islands</b>	Broad Street Principal Investment International Ltd	Investment company
	Rothsay Life (Cayman) Limited	Investment company
<b>China</b>	Goldman Sachs International Bank Beijing Representative Office	Representation office of a U.K. regulated bank
<b>Germany</b>	Goldman Sachs International Zweigniederlassung	Branch of a securities dealer
	Goldman Sachs International Bank Zweigniederlassung Frankfurt	Branch of a U.K. regulated bank
<b>Italy</b>	Goldman Sachs International - Filiale Italiana	Branch of a securities dealer
<b>Isle of Man</b>	Goldman Sachs Europe Limited	Service company
	Paternoster Limited	In liquidation
<b>Jersey</b>	PIL Acquisitions 2 Limited	Investment company
	PIL Uxbridge Limited	Investment company
	PIL Newbury Limited	Investment company
	PIL Mitre House Limited	Investment company
	PIL Clacton Limited	Investment company

**Country by Country Reporting**

<b>JURISDICTION</b>	<b>LIST OF ENTITIES</b>	<b>DESCRIPTION OF ACTIVITIES</b>
<b>Luxembourg</b>	ELQ VIII Acquisition S.A R.L. ENOP 1 S.A R.L. ENOP 2 S.A R.L. ENOP 3 S.A R.L. Pumbaa Luxembourg S.A R.L. Titanium Luxco 2 S.A R.L.	Investment company Investment company Investment company Investment company Investment company Investment company
<b>Netherlands</b>	Goldman Sachs International, Amsterdam Branch Parrot B.V Parrot Management B.V.	Branch of a securities dealer Investment company Investment company
<b>Poland</b>	Goldman Sachs International Oddzial W Polsce Prosta Investments SP Z.O.O. Trinity II Investments SP Z.O.O. Ipopema 80 FunduszInwestycyjny Zamkniety	Branch of a securities dealer Investment company Investment company Dissolved
<b>Qatar</b>	Goldman Sachs International - Qatar Branch	Branch of a securities dealer
<b>Republic of Ireland</b>	Goldman Sachs International, Ireland Branch Goldman Sachs Ireland Finance Limited Obsidian Irish Collective Asset Management Vehicle OBSF (I) Limited	Branch of a securities dealer Investment company Investment company Investment company
<b>Republic of Korea</b>	Goldman Sachs International Bank Seoul Branch	Branch of U.K. regulated bank
<b>Spain</b>	Goldman Sachs International Sucursal En Espana	Branch of a securities dealer
<b>South Africa</b>	Goldman Sachs International Inc In England - Johannesburg Branch	Branch of a securities dealer
<b>Sweden</b>	Goldman Sachs International - Stockholm Branch	Branch of a securities dealer
<b>Switzerland</b>	Goldman Sachs International, London, Vertretung in Zurich	Representation office of a securities dealer
<b>Turkey</b>	Goldman Sachs TK Danışmanlık Hizmetleri A.Ş. Goldman Sachs International Bank Turkiye Temsilciliği	Service company Representation office of a U.K. regulated bank
<b>United Arab Emirates</b>	Goldman Sachs International - Dubai Branch	Branch of a securities dealer

\* The list of entities does not include subsidiaries that have no impact on the revenue, profit before tax, corporation tax paid or number of employees disclosed.

# ***Independent auditors' report to the directors of Goldman Sachs Group UK Limited***

## **Report on the audit of the country-by-country information**

---

### **Opinion**

In our opinion, Goldman Sachs Group UK Limited's country-by-country information for the year ended 31 December 2017 has been properly prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

We have audited the country-by-country information for the year ended 31 December 2017 in Table 1 of the Country-by-Country Reporting.

---

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the country-by-country information 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 country-by-country information 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 - Basis of preparation**

In forming our opinion on the country-by-country information, which is not modified, we draw attention to the introduction of the country-by-country information on page 1 which describes the basis of preparation. The country-by-country information is prepared for the directors for the purpose of complying with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. The country-by-country information has therefore been prepared in accordance with a special purpose framework and, as a result, the country-by-country information may not be suitable for another purpose.

---

### **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 when:

- the directors' use of the going concern basis of accounting in the preparation of the country-by-country information is not appropriate; or
- the directors have not disclosed in the country-by-country information 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 country-by-country information is 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.

### **Responsibilities for the country-by-country information and the audit**

#### ***Responsibilities of the directors for the country-by-country information***

The directors are responsible for the preparation of the country-by-country information in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013, and for determining that the basis of preparation and accounting policies are acceptable in the circumstances. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of country-by-country information that is free from material misstatement, whether due to fraud or error.

In preparing the country-by-country information, 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 country-by-country information*

It is our responsibility to report on whether the country-by-country information has been properly prepared in accordance with the relevant requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Our objectives are to obtain reasonable assurance about whether the country-by-country information as a whole is 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 this country-by-country information.

A further description of our responsibilities for the audit of the country-by-country information 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 opinion, has been prepared for and only for the company's directors in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013 and for no other purpose. We do not, in giving this opinion, 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.

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
28 June 2018