

Registered number: 00865402

ROTHSCHILD TRUST CORPORATION LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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ROTHSCHILD TRUST CORPORATION LIMITED

CONTENTS

	Page
Company information page	1
Directors' report	2-3
Statement of directors' responsibilities	4
Independent auditor's report	5-6
Profit and loss account	7
Statement of total recognised gains and losses	8
Balance sheet	9
Notes to the financial statements	10-17

ROTHSCHILD TRUST CORPORATION LIMITED

COMPANY INFORMATION

DIRECTORS	A J H Penney S Stevenson S Williams T Archard
COMPANY SECRETARY	N M Rothschild & Sons Limited
COMPANY NUMBER	00865402
REGISTERED OFFICE	Rothschild Trust Corporation Limited New Court London United Kingdom EC4N 8AL
AUDITOR	KPMG LLP Chartered Accountants 15 Canada Square London E14 5GL

ROTHSCHILD TRUST CORPORATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the administration of trusts and wealth planning services.

BUSINESS REVIEW

Performance

There has been no significant change in the activity of the Company during the year and it is not the intention that there will be any change in the future. The business forms part of the Rothschild Private Banking and Trust Group which operates in a number of jurisdictions, the core services of which are as follows:

- Asset structuring
- Strategic advice
- Consolidated reporting, manager oversight and performance analysis
- Investment management
- Banking services

The Company made a profit for the year £ 198,720 (2016: profit of £127,594), of which £198,720 (2016: £131,307) was transferred to reserves. During the year no dividend (2016: £0) was paid to shareholders in respect of the year ended 31 March 2016. No final dividend was paid post year end.

Principal Risks and Uncertainties

The Company faces a number of risks, in common with its peers, such as regulatory, operational and market risks. The Company seeks to mitigate these risks through a combination of insurance, segregation and duties, outsourcing and employing experienced staff.

Key Performance Indicators ("KPIs")

There are a number of KPI's that management monitor, such as revenue and costs analysis, debtor collection and cash flow forecasts, as well as certain analysis from a regulatory perspective.

DIRECTORS

The directors who served during the year were:

A J H Penney
E C Roberts (resigned 07.04.2017)
S Williams
T Archard
S Stevenson

PAYMENT OF CREDITORS

It is the Company's aim to pay all creditors within 7 days of receipt of a monthly statement. In practice this means that all creditors should receive payment no later than 40 days from the date of supply of goods and services.

ROTHSCHILD TRUST CORPORATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

DONATIONS

The Company made no charitable donations (2016: Nil) during the year. No political donations were made nor any political expenditure incurred during the year (2016: Nil).

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware there is no relevant audit information of which the Company's auditors is unaware
- that director has taken all steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

GOING CONCERN

The company's business activities and the principal business risks have been considered by the Directors. The Company has sufficient financial resources and the continued support of its parent. As a consequence, the Directors believe that the Company is well placed to manage its business risks.

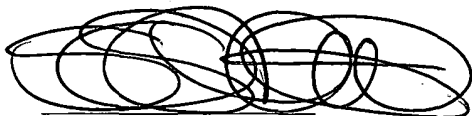
The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future; thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

AUDITOR

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed reappointed and KPMG LLP will therefore continue in office.

The report of the director has been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board and signed on its behalf.



S. STEVENSON

Director

Date: 24/07/17



T. ARCHARD

Director

Rothschild Trust Corporation Limited
New Court
London
United Kingdom
EC4N 8AL

ROTHSCHILD TRUST CORPORATION LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2017**

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its profit or loss for that period. In preparing these 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ROTHSCHILD TRUST CORPORATION LIMITED
FOR THE YEAR ENDED 31 MARCH 2017**

We have audited the financial statement of Rothschild Trust Corporation Limited for the year ended 31 March 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015, UK Generally Accepted Accounting Practice applicable to Smaller Entities):

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY COMPANIES ACT 2006

In our opinion the information given in the Directors's report for the financial year is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ROTHSCHILD TRUST CORPORATION LIMITED
FOR THE YEAR ENDED 31 MARCH 2017**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received for the branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Ravi Lamba (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 25/7/17

ROTHSCHILD TRUST CORPORATION LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 £
TURNOVER	1.2	2,134,565	2,114,777
Administrative expenses		(1,860,105)	(1,960,029)
Other operating income	2	-	-
		<hr/>	<hr/>
OPERATING PROFIT	3	274,460	154,748
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		274,460	154,748
Tax on profit on ordinary activities	5	(75,740)	(27,153)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	11	198,720	127,595
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 17 form part of these financial statements.

All amounts are from continuing operations.

ROTHSCHILD TRUST CORPORATION LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
PROFIT FOR THE FINANCIAL YEAR	198,720	127,595
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	198,720	127,595
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 17 form part of these financial statements.

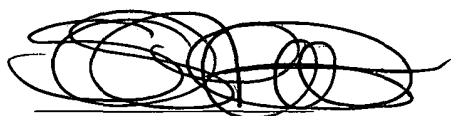
ROTHSCHILD TRUST CORPORATION LIMITED

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2017**

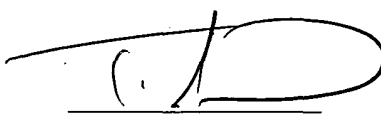
	Note	£	2017 £	2016 £
FIXED ASSETS				
Fixed asset investments	6		100	100
CURRENT ASSETS				
Debtors	7	393,090		789,888
Cash at bank		1,039,206		490,892
		<u>1,432,296</u>	<u>1,280,780</u>	
CREDITORS				
amounts falling due within one year	8	(842,431)		(889,635)
		<u></u>		
NET CURRENT ASSETS			589,865	391,145
			<u></u>	<u></u>
TOTAL ASSETS LESS CURRENT LIABILITIES			589,965	391,245
			<u></u>	<u></u>
CAPITAL AND RESERVES				
Called up share capital	10		250,000	250,000
Reserves	11		339,965	141,245
			<u></u>	<u></u>
SHAREHOLDERS'S FUNDS	12		589,965	391,245
			<u></u>	<u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24/07/17



S. STEVENSON
Director



T. ARCHARD
Director

The notes on pages 10 to 17 form part of these financial statements.

ROTHSCHILD TRUST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The Company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking.

1.2 TURNOVER

Turnover comprises fees billed for trust management services rendered excluding VAT, and is recognised as contractual work was performed in relation to fees. Fees received in advance for services not yet performed are carried in the balance sheet as deferred income. Accrued income is recognised as time charged less provision for non-recoverable time, where a right to consideration arises through the providing of services.

1.3 INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Except where otherwise required by accounting standards, full provision has been made for deferred tax liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

1.5 WORK IN PROGRESS

Work in progress is calculated as total unbilled staff time charged less a provision to reduce it to estimated cost and is included in the Balance Sheet under the heading of Trade Debtors.

ROTHSCHILD TRUST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.6 PENSION COSTS

The Company's post-retirement benefit arrangements are described in note 14. The Company participates in a number of pension and other post-retirement benefit schemes, both funded and unfunded, and of the defined benefit and defined contribution types. For defined contribution schemes, the contribution payable in respect of the accounting period is recognised in the profit and loss account.

The defined benefit scheme in which the Company participates is accounted for by the sponsoring company (NM Rothschild & Sons Limited) using the option permitted by the amendment to IAS19 – Employee Benefits whereby actuarial gains and losses are recognised outside profit or loss and presented in the statement of recognised gains and losses. The amount recognised in the sponsoring company's balance sheet in respect of the defined benefit scheme is the difference between the present value of the defined benefit obligation at the balance sheet date and the fair value of the plan's assets, if any. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the plan's obligations is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

However, as there is no contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole to the Company, the sponsoring company recognises the entire net defined benefit cost of the plan in its accounts. The Company recognises as a cost the contribution payable for the period.

1.7 RELATED PARTY TRANSACTIONS

As 100% of the Company's voting rights are controlled by Rothschild & Co. (formerly Paris Orléans), for which consolidated accounts are publicly available, it is exempt from the disclosure requirements of Financial Reporting Standard 8 in respect of transactions with other entities within the Paris Orléans group.

The Company provides trustee and administration services for members of the Rothschild family and employees for a nominal fee. The Company has entered into service agreements with other members of the Rothschild Holdings AG group to provide and receive marketing and administration services to other companies within that group.

1.8 CASH FLOW STATEMENTS

The Company is exempt from the requirement of Financial Reporting Standard 1 (Revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary of Rothschilds Continuation Holdings AG.

ROTHSCHILD TRUST CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

1.9 GOING CONCERN

The company's business activities and the principal business risks have been considered by the Directors. The Company has sufficient financial resources and the continued support of its parent. Rothschild PrivateTrust Holdings AG has committed to any shortfall the company might experience; as a consequence, the Directors believe that the Company is well placed to manage its business risk.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future; thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

2. OTHER OPERATING INCOME

	2017 £	2016 £
Other operating income	-	-

3. OPERATING PROFIT

	2017 £	2016 £
The operating profit is stated after charging:		
Auditor's remuneration	12,261	12,396
Pension costs	87,870	95,389
Wages and salaries	1,062,816	1,215,797
Social security costs	134,056	163,588
Other administrative expenses	563,102	472,859

The average number of employees during the year was 8 (2016: 9).

Directors' emoluments for the year amounted to £442,014 (2016: £588,724), which includes deferred remuneration of £100,000 (2016: £123,696).

Two (2016: two) of the directors were a member of the group pension scheme described in note 14.

The emoluments of the highest paid director excluding pension contributions was £442,014 (2016: £485,695). The highest paid director was a member of a defined contribution scheme under which his accrued pension at the year end was £0 (2016: £0).

4. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAX

Company profit on ordinary activities before tax is stated after auditor's remuneration of £ 12,261 (2015: £ 12,396) which is the fee for the audit of these financial statements.

ROTHSCHILD TRUST CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. TAXATION

	2017 £	2016 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on profit for the year	91,190	51,111
Prior year adjustments	(8,223)	-
	<u>82,967</u>	<u>51,111</u>
TOTAL CURRENT TAX	<u>82,967</u>	<u>51,111</u>
DEFERRED TAX		
Origination and reversal of timing differences	(34,832)	(25,820)
Adjustments in respect of prior years	27,605	-
Effect of increased tax rate on opening liability	-	1,862
	<u>(7,227)</u>	<u>(23,958)</u>
TOTAL DEFERRED TAX (see note 9)	<u>(7,227)</u>	<u>(23,958)</u>
TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	<u><u>75,740</u></u>	<u><u>27,153</u></u>
FACTORS AFFECTING TAX CHARGE FOR THE YEAR		
Profit on ordinary activities before tax	277,228	154,748
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016: 20%)	55,446	30,949
Effects of:		
Adjustments in respect of prior years	19,382	-
Effect of changes in tax rates on deferred tax assets	-	1,862
Disallowed expenditure	8,139	1,569
Tax losses utilised	(7,227)	(7,227)
	<u><u>75,740</u></u>	<u><u>27,153</u></u>

ROTHSCHILD TRUST CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. FIXED ASSET INVESTMENTS

	2017	2016
		£
COST		
31 March	100	100
	<u>100</u>	<u>100</u>

The Company holds the entire issued share capital of Rotrust Nominees Limited; 100 shares of £1 each. This subsidiary is registered in England and Wales, and does not trade.

7. DEBTORS

	2017	2016
	£	£
Trade debtors	316,158	474,955
Amounts owed by group undertakings	-	103,359
Other debtors	32,475	71,999
Equity security FVTPL	-	97,124
Deferred tax asset (see note 9)	44,457	37,230
	<u>393,090</u>	<u>784,667</u>
	<u>393,090</u>	<u>784,667</u>

8. CREDITORS:

AMOUNTS FALLING DUE WITHING ONE YEAR

	2017	2016
	£	£
Trade creditors	16,682	5,315
Amounts owed to group undertakings	135,049	172,865
Corporation tax	91,190	35,000
Social security and other taxes (see below)	48,669	51,458
Bank overdraft	-	-
Other creditors	550,840	597,327
	<u>842,431</u>	<u>861,965</u>
	<u>842,431</u>	<u>861,965</u>

SOCIAL SECURITY AND OTHER TAXES

PAYE/NI control	-	-
VAT control	48,669	51,458
	<u>48,669</u>	<u>51,458</u>
	<u>48,669</u>	<u>51,458</u>

ROTHSCHILD TRUST CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

9. DEFERRED TAX ASSETS

	2017 £	2016 £
At 1 April	37,230	13,272
Deferred tax asset charged to the profit and loss account (note 5)	7,227	23,958
	<u>44,457</u>	<u>37,230</u>
At 31 March	<u>44,457</u>	<u>37,230</u>

10. SHARE CAPITAL

	2017 £	2016 £
AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID		
250,000 Ordinary shares of £1 each	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

11. RESERVES

	2017 £	2016 £
At 1 April	141,245	13,650
Profit for the year	198,720	127,595
Dividends: Equity capital	-	-
	<u>339,965</u>	<u>141,245</u>
At 31 March	<u>339,965</u>	<u>141,245</u>

ROTHSCHILD TRUST CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2017 £	2016 £
Opening shareholders' funds	391,245	263,650
profit for the year	198,720	127,595
Dividends (Note 13)	-	-
	<u>589,965</u>	<u>391,245</u>
Closing shareholders' funds as at 31 March	<u>589,965</u>	<u>391,245</u>

13. DIVIDENDS

	2017 £	2016 £
Dividends paid on equity capital	-	-
	<u>-</u>	<u>-</u>

14. PENSION COMMITMENTS

The Company is a member of a group scheme, the NMR UK Pension Fund, which is operated by N M Rothschild & Sons Limited for the benefit of employees of certain Rothschild group companies in the United Kingdom. The Fund comprises a defined benefit section, which closed to new entrants in April 2003 and a defined contribution section established with effect from April 2003. The assets of the Fund are held separately from those of the Group and are administered by trustees. The costs of running the Fund are assessed with the advice of independent actuaries.

As there is no contractual agreement or stated policy for charging the net defined benefit cost to participating Rothschild Group companies, the Company only recognises in its accounts the contributions it makes during any given financial period.

The Company's total pension charge (equivalent to the expected total pension charge) for the year amounted to £51,870 (2016: £59,389), all of which related to the above defined contribution section.

As at 31 March 2017, there was a deficit of £24.8 million (2016: £65.1 million) in the Fund as reported in the N M Rothschild & Sons Limited accounts which were prepared under International Financial Reporting Standards. The deficit in the Fund has been considered in determining the level of contributions payable by the Company. The funding policy is reviewed with the independent actuary to ensure that the contributions made are adequate to enable the Fund to meet its liabilities over the long term.

ROTHSCHILD TRUST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

15. MANAGEMENT OF FINANCIAL RISK

a. Regulatory, operational and market risks

The Company seeks to mitigate these risks through a combination of insurance, training, segregation of duties, and employment of experienced staff.

b. Credit risk

The Company is exposed to credit risk on fees which are not paid immediately out of trust assets. To mitigate risk the Company's policy is to collect fees as soon as they have been communicated to clients under administration.

c. Interest rate risk

Bank interest on deposits held is the only source of interest exposure. The effective interest during the year was 0.05% and all balances mature within one year.

d. Liquidity risk

The Company's policy throughout the year has been to maintain sufficient liquidity to pay its expenses as they fall due, and to comply with the financial resources requirements of the Guernsey Financial Services Commission. The parent companies continue to support the business.

e. Currency risk

The Company has a currency risk to income based on assets denominated in currencies other than sterling. In addition the Company has a proportion of its income denominated in Swiss Francs. To mitigate risk, liquid currency assets are monitored and regularly converted into sterling.

16. POST BALANCE SHEET EVENTS

The Company did not have any disclosable liabilities as at 31 March 2017 (2016: nil).

17. CONTROLLING PARTY

The largest group in which the results of the Company are consolidated is that headed by Rothschild & Co. (formerly Paris Orléans) which is a French public limited company. The smallest group in which they are consolidated is that headed by Rothschilds Continuation Holdings AG, incorporated in Switzerland.