



# **Rothschild Gold Limited**

## **Report of the Directors and Financial Statements for the year ended 31 March 2016**

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# Report of the Directors

The Directors present their Directors' report and the financial statements for the year ended 31 March 2016.

## Principal Activities and Business Review

The principal activity of Rothschild Gold Limited (the Company) is that of an investment holding company. The results for the year are set out in the statement of comprehensive income on page 7. The Company's profit before tax was £434,568 (2015: £421,875).

On 23 June the UK voted to leave the EU. At the date of signing these accounts the Directors do not foresee any immediate impact on the Company but acknowledge the uncertainty that exists. The Directors will continue to keep this under review.

The Directors consider the Company to be a going concern.

## Dividend

The Directors have not recommended the payment of a dividend during the year (2015: £nil).

## Directors

The Directors who held office during the period were as follows:

Peter Barbour	(Appointed 9 July 2015)
Anthony Coghlan	
Donald Gordon	
Jonathan Westcott	(Resigned 9 July 2015)

## Director's Indemnity

The Company has provided qualifying third-party indemnities for the benefit of its Directors. These were provided during the period and remain in force at the date of this report.



# Report of the Directors (continued)

## Auditor

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

## Audit Information

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By Order of the Board

Helen Horton, for  
N M Rothschild & Sons Limited  
Secretary

New Court, St. Swithin's Lane, London EC4N 8AL  
15 September 2016



# Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU 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 period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; 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. 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.

By Order of the Board

Anthony Coghlan, Director

15 September 2016

# **Independent Auditor's Report to the Members of Rothschild Gold Limited**

We have audited the financial statements of Rothschild Gold Limited for the year ended 31 March 2016 set out on pages 7 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the EU.

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 3, 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](http://www.frc.org.uk/auditscopeukprivate).

## **Opinion on financial statements**

In our opinion the financial statements:

- 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 IFRS as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on the other matter prescribed by the Companies Act 2006**

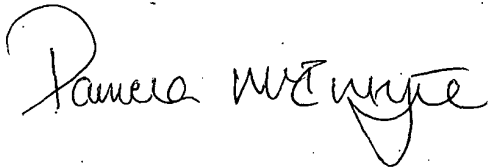
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Independent Auditor's Report to the Members of Rothschild Gold Limited**

## **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 from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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.



**Pamela McIntyre (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

**Chartered Accountants**

**15 Canada Square**

**London E14 5GL**

**15 September 2016**



# Statement of Comprehensive Income

For the year ended 31 March 2016

	Note	2016 £	2015 £
Income from investment in joint venture		408,751	417,694
Foreign exchange gain/ (losses)		25,817	4,181
Profit before tax		434,568	421,875
Income tax expense	5	(140,753)	(158,023)
Profit for the year		293,815	263,852
Other comprehensive income		-	-
Total comprehensive income for the financial year		293,815	263,852

All amounts are in respect of continuing activities.

The notes on pages 11 to 14 form an integral part of these financial statements



# Balance Sheet

At 31 March 2016

	Note	2016 £	2016 £	2015 £	2015 £
<b>Non-current assets</b>					
Investment in joint venture	6		53,800		53,800
<b>Current assets</b>					
Current tax assets		54,622			
Cash at bank	7	615,503		449,457	
		670,125		449,457	
<b>Current liabilities</b>					
Overdraft at parent undertaking		(93,283)		(85,710)	
<b>Other liabilities</b>					
Current tax liability		(5,161)		(85,881)	
Net current assets			571,681		277,866
Net assets			625,481		331,666
<b>Shareholders' equity</b>					
Share capital	8		53,900		53,900
Retained earnings			571,581		277,766
Total shareholders' equity			625,481		331,666

Approved by the Board of Directors on 15 September 2016 and signed on its behalf by:

Peter Barbour, Director

The notes on pages 11 to 14 form an integral part of these financial statements





# Statement of Changes in Equity

For the year ended 31 March 2016

	Share Capital £	Retained Earnings £	Total Equity £
At 1 April 2015	53,900	277,766	331,666
Total comprehensive income for the year	-	293,815	293,815
At 31 March 2016	53,900	571,581	625,481
At 1 April 2014	53,900	13,914	67,814
Total comprehensive income for the year	-	263,852	263,852
At 31 March 2015	53,900	277,766	331,666

The notes on pages 11 to 14 form an integral part of these financial statements



# Cash Flow Statement

For the year ended 31 March 2016

	Note	2016 £	2015 £
Cash flow from operating activities			
Profit for the financial year		293,815	263,852
Income from investment in joint venture		(408,751)	(417,694)
Income tax expense		140,753	158,023
Operating profit/ (loss) before changes in working capital and provisions		25,817	4,181
Cash generated /(used in) operations		25,817	4,181
Income taxes paid		(276,095)	(108,916)
Net cash flow used in operating activities		(250,278)	(104,735)
Cash flow from investing activities			
Income from investment in joint venture		408,751	417,694
Net cash flow from investing activities		408,751	417,694
Cash flow from financing activities			
Dividends paid		-	(400,000)
Net cash flow used in financing activities		-	(400,000)
Net increase in cash and cash equivalents		158,473	(87,041)
Cash and cash equivalents at 1 April		363,747	450,788
Cash and cash equivalents at 31 March	7	522,220	363,747

The notes on pages 11 to 14 form an integral part of these financial statements



# Notes to the Financial Statements

*(forming part of the Financial Statements)*

For the year ended 31 March 2016

## 1. Accounting Policies

Rothschild Gold Limited (the Company) is a company incorporated in the United Kingdom. The principal accounting policies which have been consistently adopted in the presentation of the financial statements are as follows:

### a. Basis of preparation

The financial statements are prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations, endorsed by the European Union (EU) and with those requirements of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements are prepared under the historical cost accounting convention and are presented in sterling, unless otherwise stated.

The Company is entitled to 50% of the French Partnership's distributable profit. At 31 March 2016 the French partnership has net liabilities of €127,000. However, the partnership has a history of profitability so the Directors consider it appropriate that the financial statements of the French partnership continue to be prepared on a going concern basis.

### Standards affecting the financial statements

In the current year, there have been no new or revised Standards and Interpretations that have been adopted that have affected the amounts reported in these financial statements.

### Future accounting developments

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 March 2016 and therefore have not been applied in preparing these financial statements. None of these are expected to have a significant effect on future financial statements.

### b. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and balances with banks and overdraft with the parent undertaking used in the cash management of the Company.

### c. Taxation

Tax payable on profits is recognised in the statement of comprehensive income, except to the extent that it relates to items that are recognised directly in equity.

### d. Investment in joint ventures

Investment in joint ventures is stated at cost less provisions to take account, where appropriate, of impairment in their value. Income from joint ventures is recognised when the right to receive payment is established.



# Notes to the Financial Statements

*(forming part of the Financial Statements)*

## 1. Accounting Policies (continued)

### e. Foreign currencies

Transactions in foreign currencies are accounted for at the exchange rates prevailing at the time of the transaction. Gains and losses resulting from the settlement of such transactions, and from the translation at period end exchange rates of monetary items that are denominated in foreign currencies are recognised in the statement of comprehensive income.

### f. Capital Management

The Company is not subject to any externally imposed capital requirements.

## 2. Financial risk management

The Company follows the financial risk management policies of the parent undertaking, N M Rothschild & Sons Limited. The key risks arising from the Company's activities involving financial instruments, which are monitored at the group level, are credit risk, market risk and liquidity risk:

- Credit risk – the risk of loss arising from client or counterparty default is not considered a significant risk to the Company as all asset balances are with other group companies as detailed in note 9 Related Party Transactions.
- Market risk – exposure to changes in market variables such as interest rates, currency exchange rates, equity and debt prices. The Company's exposure to market risk is limited to exposure to currency fluctuations on euro asset balances of the equivalent of £584,617 (2015: £417,693) and liability balances of the equivalent of £93,283 (2015: £85,710).
- Liquidity risk – the risk that the Company is unable to meet its obligations as they fall due or that it is unable to fund its commitments is not considered significant as at the balance sheet date the Company held sufficient cash to cover all expected future liabilities.

## 3. Audit Fee

The amount receivable by the auditors and their associates in respect of the audit of these financial statements is £3,902 (2015: £3,825). The audit fee is paid on a group basis by N M Rothschild & Sons Limited.

## 4. Directors' Emoluments

None of the Director received any remuneration in respect of their services to the Company during the year (2015: £nil).



# Notes to the Financial Statements

(forming part of the Financial Statements)

## 5. Taxation

Tax is based on the results for the year and comprises:

	2016 £	2015 £
Current tax	140,753	158,023

The tax charge for the year may be explained as follows:

	2016 £	2015 £
Profit before tax	434,568	421,875
United Kingdom corporation tax at 20% (2015: 21%)	86,914	88,594
Prior year adjustment	-	12,373
Effect of different tax rates in other countries	53,839	57,056
Total tax charged to income statement	140,753	158,023

## 6. Investment in Joint Venture

	2016 £	2015 £
At cost	53,800	53,800

The Company holds a 50.0 per cent interest in Rothschild Europe SNC, a French partnership. This partnership undertakes financial advisory activities in continental Europe.

The Company's interest in this joint venture is held at historic cost.

## 7. Cash at Bank

At the year end the Company held cash of £30,886 (2015: £31,764) and a euro overdraft equivalent to £93,283 (2015: £85,710) at the immediate parent undertaking. The Company also held the equivalent of £584,617 (2015: £417,693) in a euro account at Rothschild & Cie Banque, a related party of the Company. All these accounts are non-interest bearing.



# Notes to the Financial Statements

(forming part of the Financial Statements)

## 8 Share Capital

	2016 £	2015 £
Authorised		
Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	53,900	53,900

## 9 Related Party Transactions

Parties are considered to be related if one party controls, is controlled by or has the ability to exercise significant influence over the other party. This includes key management personnel, the parent company, subsidiaries and fellow subsidiaries.

Amounts receivable and payable from related parties at the year end were as follows:

	2016 £	2015 £
Cash at immediate parent undertaking	30,886	31,764
Cash at other related parties	584,617	417,693
Overdraft at immediate parent undertaking	93,283	85,710

There were no loans made to Directors during the year (2015: none) and no balances outstanding at year-end (2015: £nil). The Directors did not receive any remuneration in respect of their services to the Company. There were no employees of the Company during the year (2015: none).

## 10 Parent Undertaking and Ultimate Holding Company

The largest group in which the results of the Company are consolidated is that headed by Rothschild Concordia SAS, incorporated in France. The smallest group in which they are consolidated is that headed by Rothschild & Co SCA, a French public limited partnership.

The Company's immediate parent company is N M Rothschild & Sons Limited.

The Company's registered office is located at New Court, St. Swithin's Lane, London EC4N 8AL.