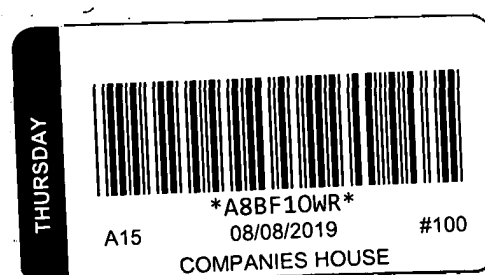




Rothschild & Co Gold Limited (formerly Rothschild Gold Limited)

**Report of the Directors and Financial Statements
for the year ended 31 December 2018**

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Report of the Directors

The Directors present their Directors' report and the financial statements for the year ended 31 December 2018.

Principal Activities and Business Review

The principal activity of Rothschild & Co 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. As a result of poor business performance of its joint venture investment in Rothschild & Co Europe SNC, the Company made a capital injection of £427,737 during the year, and consequently considers its investment to be impaired. Mainly as a result of this impairment, the Company's loss before tax was £488,524 (9 months to 31 December 2017: profit of £5,621). Subsequent to the year end, the Company made a further capital injection of £181,121.

The Company has net current liabilities of £202,280 (at 31 December 2017: net current assets of £231,117). The Company has received a letter of financial support from the Directors of N M Rothschild & Sons Limited, the parent undertaking. Consequently the Directors consider it appropriate that the financial statements are prepared on a going concern basis.

In 2017, the Company changed its financial year end from 31 March to 31 December. This set of financial statements is the first full year since this change and consequently, the comparative figures for the Company's income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes are for the 9 months from 1 April 2017 to 31 December 2017.

Dividend

During the year, the Company did not pay a dividend (9 months to 31 December 2017: £400,000).

Directors

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

Peter Barbour
Anthony Coghlan
John King

Director's Indemnity

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

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.



Report of the Directors

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.

Directors' Responsibilities Statement

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 as adopted by the European Union (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 year. 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, relevant and reliable;
- State whether they have been prepared in accordance with IFRS as adopted by the EU;
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 are 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, and 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

Helen Horton, for
N M Rothschild & Sons Limited
Secretary
New Court, St. Swithin's Lane, London EC4N 8AL
16 July 2019

Independent Auditor's Report to the Members of Rothschild & Co Gold Limited

Opinion

We have audited the financial statements of Rothschild & Co Gold Limited ("the Company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, and related notes, including the accounting policies in note 1.

In our opinion, the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- Have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the Directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Company and this is particularly the case in relation to Brexit.

Independent Auditor's Report to the Members of Rothschild & Co Gold Limited

Going Concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model, including the impact of Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Directors' Report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- We have not identified material misstatements in the Directors' report;
- In our opinion the information given in that report for the financial year is consistent with the financial statements; and
- In our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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 requirements to prepare a Strategic report.

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Rothschild & Co Gold Limited

Directors' Responsibilities

As explained more fully in their 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; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

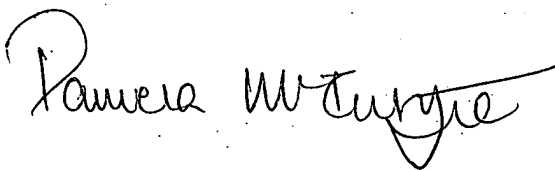
Auditors' Responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Pamela McIntyre (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

19 July 2019



Statement of Comprehensive Income

For the year ended 31 December 2018

	Note	Year to 31 December 2018 £	9 months to 31 December 2017 £
Impairment of investment	6	(481,536)	-
Foreign exchange (loss)/gain		(6,988)	5,621
(Loss)/profit before tax		(488,524)	5,621
Income tax credit/(expense)	5	1,328	(1,052)
(Loss)/profit for the year		(487,196)	4,569
Other comprehensive income		-	-
Total comprehensive income for the financial year		(487,196)	4,569

All amounts are in respect of continuing activities.

The notes on pages 11 to 16 form an integral part of these financial statements.

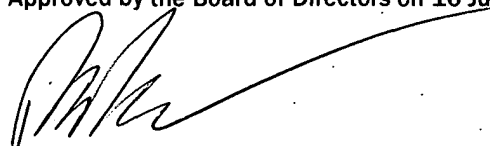


Balance Sheet

At 31 December 2018

		31 December 2018		31 December 2017	
	Note	£	£	£	£
Non-current assets					
Investment in joint venture	6		1		53,800
Current assets					
Cash and cash equivalents		-		232,185	
Current tax asset		1,328		-	
		1,328		232,185	
Current liabilities					
Current tax liability		-		(1,068)	
Overdraft at fellow subsidiary undertaking		(203,608)		-	
Net current liabilities			(202,280)		231,117
Net assets			(202,279)		284,917
Shareholders' equity					
Share capital	8		53,900		53,900
Retained earnings			(256,179)		231,017
Total shareholders' equity			(202,279)		284,917

Approved by the Board of Directors on 16 July 2019 and signed on its behalf by:


Peter Barbour, Director

The notes on pages 11 to 16 form an integral part of these financial statements.



Statement of Changes in Equity

For the year ended 31 December 2018

	Share Capital £	Retained Earnings £	Total Equity £
At 1 January 2018	53,900	231,017	284,917
Total comprehensive income for the year	-	(487,196)	(487,196)
At 31 December 2018	53,900	(256,179)	(202,279)
At 1 April 2017	53,900	626,448	680,348
Total comprehensive income for the year	-	4,569	4,569
Shareholders' dividends	-	(400,000)	(400,000)
At 31 December 2017	53,900	231,017	284,917

The notes on pages 11 to 16 form an integral part of these accounts



Cash Flow Statement

For the year ended 31 December 2018

	Note	Year to 31 December 2018 £	9 months to 31 December 2017 £
Cash flow from operating activities			
(Loss)/profit for the financial year		(487,196)	4,569
Income tax (credit)/expense		(1,328)	1,052
Impairment of investment in joint venture	6	481,536	-
Operating profit before changes in working capital and provisions		(6,988)	5,621
Income taxes (paid)/received		(1,068)	134,944
Net cash flow used in operating activities		(8,056)	140,565
Cash flow used in financing activities			
Dividends paid		-	(400,000)
Capital injections made	6	(427,737)	
Net cash used in financing activities		(427,737)	(400,000)
Net decrease in cash and cash equivalents		(435,793)	(259,435)
Cash and cash equivalents at beginning of year		232,185	491,620
Cash and cash equivalents at end of year	7	(203,608)	232,185

The notes on pages 11 to 16 form an integral part of these accounts



Notes to the Financial Statements

(forming part of the Financial Statements)

For the year ended 31 December 2018

1. Accounting Policies

Rothschild & Co Gold Limited ("the Company") is a private company limited by shares and incorporated in England and Wales. 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 Rothschild & Co Europe SNC's distributable profit. At 31 December 2018 Rothschild & Co Europe SNC had net liabilities of €372,000.

Notwithstanding net current liabilities of £202,280 as at 31 December 2018, a loss for the year then ended of £487,196 and operating cash outflows for the year of £8,056, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through its overdraft facility funding from its immediate parent company, N M Rothschild & Sons Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the Company's parent company, N M Rothschild & Sons Limited not seeking repayment of the amounts currently due to the group, which at 31 December 2018 amounted to £203,608, and providing additional financial support during that period. N M Rothschild & Sons Limited has indicated that it is its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of these amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.



Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies (continued)

Standards affecting the financial statements

IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with customers were implemented with effect from 1 January. Neither of these standards has had a significant effect on these financial statements.

Future accounting developments

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 December 2018 and therefore have not been applied in preparing these financial statements. The Company has reviewed these new standards to determine their effects on the Company's financial reporting. None of these are expected to have a significant effect on the Company's financial statements.

b. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with other group companies that are readily convertible to cash and are subject to an insignificant risk of changes in value.

c. Taxation

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

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 year 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.



Notes to the Financial Statements

(forming part of the Financial Statements)

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 currency exchange rates, is not considered significant.
- 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 auditor and their associates in respect of the audit of these financial statements is £3,511 (9 months to 31 December 2017: £3,511). The audit fee is paid on a group basis by N M Rothschild & Sons Limited.

4. Directors' Emoluments

None of the Directors received any remuneration in respect of their services to the Company during the year (9 months to 31 December 2017: £nil).

5. Taxation

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

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Current tax	(1,328)	1,052



Notes to the Financial Statements

(forming part of the Financial Statements)

5. Taxation (cont.)

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

	Year to 31 December 2018 £	9 months to 31 December 2017 £
(Loss)/profit before tax	(488,524)	5,621
United Kingdom corporation tax at 19%	(92,820)	1,068
Impairment not tax deductible	91,492	-
Prior year adjustments	-	(16)
Total tax charged to income statement	(1,328)	1,052

6. Investment in Joint Venture

	Year to 31 December 2018 £	9 months to 31 December 2017 £
At beginning of period	53,800	53,800
Increase in investment during the year	427,737	-
Impairment of investment	(481,536)	-
At end of period	1	53,800

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

During the year, the Company made a capital injection into the partnership of £427,737. However, the partnership continued to be loss making during the year, and future profitability is uncertain. Therefore, the Directors have concluded that the investment should be impaired to £1.

Post year-end, an additional capital injection was made by the Company into the partnership of £181,121.

7. Cash and Cash Equivalents

At the year-end, the Company had an overdraft of £203,608 (at 31 December 2017: asset of £232,185). Of this balance, £203,608 was held in a sterling account (at 31 December 2017: £77,903). The equivalent of £nil was held in a euro account (at 31 December 2017: £154,282). The accounts are not interest bearing.



Notes to the Financial Statements

(forming part of the Financial Statements)

8. Share Capital

	31 December 2018 £	31 December 2017 £
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:

	31 December 2018 £	31 December 2017 £
Cash at immediate parent undertaking	-	232,185
Overdraft at immediate parent undertaking	203,608	-

Amounts recognised directly in equity in respect of related party transactions were as follows:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Dividend payable to parent undertaking	-	400,000

There were no loans made to Directors during the year (9 months to 31 December 2017: none) and no balances outstanding at year-end (at 31 December 2017: £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 (9 months to 31 December 2017: none).



Notes to the Financial Statements

(forming part of the Financial Statements)

10. Parent Undertaking

The largest group in which the results of the Company are consolidated is that headed by Rothschild & Co Concordia SAS, incorporated in France, and whose registered office is at 23bis, Avenue de Messine, 75008 Paris. The smallest group in which they are consolidated is that headed by Rothschild & Co SCA, a French public limited partnership whose registered office is also at 23bis, Avenue de Messine, 75008 Paris. The accounts are available on the Rothschild & Co website at www.rothschildandco.com.

The Company's immediate parent company is N M Rothschild & Sons Limited, incorporated in England and Wales and whose registered office is at New Court, St Swithin's Lane, London EC4N 8AL.

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