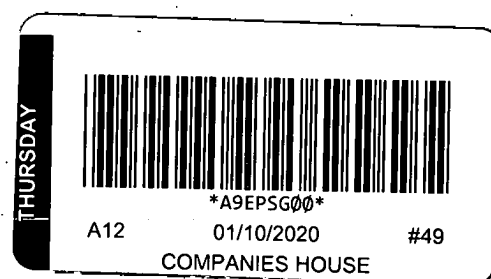




Walbrook Assets Limited

Report of the Directors and Financial Statements for the year ended 31 December 2019

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Report of the Directors

The Directors present their Directors' report and the financial statements for the year ended 31 December 2019.

Principal Activities and Business Review

The principal activity of Walbrook Assets Limited ("the Company") is that of investment in property and lettings. The results for the period are set out in the statement of comprehensive income on page 8. The Company's profit before tax was £118,235 (2018: £120,000).

Principal Risks and Uncertainties

The principal risks of the Company are credit risk, market risk and liquidity risk.

Since the start of January 2020, COVID-19 has created significant disruption to the global markets and economies. Management has concluded that the impact of COVID-19 is a non-adjusting post balance sheet event in respect of the financial statements for the year ended 31 December 2019. Management has performed an assessment to determine whether there are any material uncertainties arising due to the pandemic that could cast significant doubt on the ability of the Company to continue as a going concern.

Although the Company has significant borrowings and net current liabilities of £2,872,473 at 31 December 2019 (2018: £2,878,243), it continues to generate profit and, furthermore, has received a letter of financial support from the Directors of Rothschild & Co Continuation Limited, the parent undertaking. Consequently, the Directors consider it appropriate that the financial statements are prepared on a going concern basis. Management has considered the going concern basis of preparation as outlined in note 1 to the financial statements.

The Company's processes are undertaken by another group undertaking. As a result of recent events the activities of this group undertaking are now being conducted remotely with all employees supported by enhanced existing technology and IT infrastructure. The business has accordingly invoked the relevant sections of Business Continuity plans. These plans have now been operational for a period of time and all critical systems continue to operate effectively and they have encountered minimal disruption in activity. The Company continues to carefully monitor and mitigate the risk on an ongoing basis in order to minimise exposure.

Dividends

The Company did not pay any dividends during the year (year ended 31 December 2018: £nil).

Directors

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

Peter Barbour

Anthony Chapman

Anthony Coghlan – resigned 26 March 2020

John King



Report of the Directors

Directors' Indemnity

The Company has provided qualifying third-party indemnities for the benefit of the Directors. These were provided during the period 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.

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 auditor is aware of that information.

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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs 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 judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs 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.



Report of the Directors

Directors' Responsibilities Statement (cont.)

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

25 September 2020

Independent Auditor's Report to the Members of Walbrook Assets Limited

Opinion

We have audited the financial statements of Walbrook Assets Limited ("the company") for the year ended 31 December 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows 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 2019 and of its profit 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.

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 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.

Independent Auditor's Report to the Members of Walbrook Assets Limited

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 requirement to prepare a strategic report.

We have nothing to report in these respects.

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.

Independent Auditor's Report to the Members of Walbrook Assets Limited

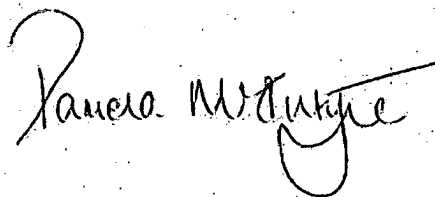
Auditor's responsibilities

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

29 September 2020



Statement of Comprehensive Income

For the year ended 31 December 2019

	Note	2019 £	2018 £
Rent receivable		120,000	120,000
Operating expenses		(1,765)	-
Profit before tax		118,235	120,000
Taxation	5	(22,465)	(22,800)
Profit for the financial period		95,770	97,200
Other comprehensive income		-	-
Total comprehensive income for the financial period		95,770	97,200

All amounts are in respect of continuing activities.

The notes on pages 12 to 16 form an integral part of these financial statements



Statement of Financial Position

At 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Non-current assets					
Property, plant and equipment	6		1,750,000		1,750,000
Current assets					
Other assets	7	46,353		8,115	
		46,353		8,115	
Current liabilities					
Overdraft with parent undertaking	8	(2,806,361)		(2,863,558)	
Current tax payable		(22,465)		(22,800)	
Net current liabilities			(2,782,473)		(2,878,243)
Total assets less current liabilities			(1,032,473)		(1,128,243)
Shareholders' equity					
Share capital	9		2		2
Retained earnings			(1,032,475)		(1,128,245)
Total shareholders' equity			(1,032,473)		(1,128,243)

Approved by the Board of Directors on 25 September 2020 and signed on its behalf by:

Peter Barbour, Director

The notes on pages 12 to 16 form an integral part of these financial statements



Statement of Changes in Equity

For the year ended 31 December 2019

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 January 2019	2	(1,128,245)	(1,128,243)
Total comprehensive income for the financial period	-	95,770	95,770
At 31 December 2019	2	(1,032,475)	(1,032,473)
<hr/>			
At 1 January 2018	2	(1,225,445)	(1,225,443)
Total comprehensive income for the financial period	-	97,200	97,200
At 31 December 2018	2	(1,128,245)	(1,128,243)

The notes on pages 12 to 16 form an integral part of these financial statements



Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019 £	2018 £
Cash flow from operating activities			
Profit for the financial period		95,770	97,200
Income tax charge		22,465	22,800
Profit before tax		118,235	120,000
Net (increase)/decrease in other assets		(38,238)	13,887
Income taxes paid		(22,800)	(17,100)
Net cash flow from operating activities		57,197	116,787
Net increase in cash and cash equivalents		57,197	116,787
Cash and cash equivalents at beginning of period		(2,863,558)	(2,980,345)
Cash and cash equivalents at end of period	8	(2,806,361)	(2,863,558)

The notes on pages 12 to 16 form an integral part of these financial statements



Notes to the Financial Statements

(Forming part of the Financial Statements)

For the year ended 31 December 2019

1. Accounting Policies

Walbrook Assets Limited ("the Company") is a private company limited by shares and incorporated in England and Wales. The Company's registered office is at New Court, St Swithin's Lane, London EC4N 8AL. 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 rules and presented in sterling, unless otherwise stated.

Going Concern

Due to COVID-19, management has performed an assessment to determine whether there are any material uncertainties arising due to the pandemic that could cast significant doubt on the ability of the Company to continue as a going concern. Notwithstanding net current liabilities of £2,782,473 as at 31 December 2019, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate. In reaching this conclusion, management considered:

- The financial impact of the uncertainty on the Company's balance sheet;
- The Company's liquidity position based on current and projected cash resources. The liquidity position has been assessed taking into account the forecast liquidity of the parent company, Rothschild & Co Continuation Limited ("R&CoCL") and its ability and intent to continue to support the Company for at least the next twenty four months. Considerations included a stressed scenario where R&CoCL's revenues could be reduced by more than 50% as compared to the prior year; and
- The operational resilience with respect to the impact of the pandemic on existing IT and infrastructure.

Based on the above assessment of the Company's financial position, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future (for a period of at least twelve months after the date that the financial statements are signed). Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.



Notes to the Financial Statements

(Forming part of the Financial Statements)

Standards affecting the financial statements

There were no new standards or amendments to standards that have been applied in the preparation of these financial statements.

Future accounting policies

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 December 2019 and therefore have not been applied in preparing these financial statements. The Company has reviewed the new standards and determined that none impact the financial statements.

b. Property, plant and equipment

Property, plant and equipment is stated at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These gains and losses are recognised in the income statement.

No depreciation is provided on freehold properties. It is the Company's policy to maintain these properties in a good state of repair and it is considered that the residual values, based on prices prevailing at the time of acquisition or subsequent valuation, are such that any depreciation is insignificant.

At each balance sheet date property, plant and equipment is assessed for indications of impairment. If such indications are present, the assets are subject to an impairment review. If impaired, the carrying values of assets are written down by the amount of impairment and the loss is recognised in the income statement in the period in which it occurs.

c. Interest payable

Interest is recognised in the statement of comprehensive income using the effective interest rate method.

d. Taxation

Tax payable on profits is recognised in the statement of comprehensive income.

e. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprises an overdraft with the parent undertaking used in the cash management of the Company. In the balance sheet, this overdraft is included in current liabilities.

f. Capital management

The Company is not subject to any externally imposed capital requirements. It is dependent on Rothschild & Co Continuation Limited (the parent undertaking) to provide capital resources which are therefore managed on a group basis.



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, Rothschild & Co Continuation Limited. The key risks arising from the Company's activities involving financial instruments, which are monitored at the group level, are as follows:

- Credit risk – the risk of loss arising from client or counterparty default is the main risk to the Company. Management monitors outstanding receivables on a continuing basis and steps are taken to recover any amounts that are past due.
- Market risk – exposure to changes in market variables such as interest rates, currency exchange rates, equity and debt prices is limited to interest rates payable on the overdraft with the parent undertaking.
- 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 material cash outflows are to the parent undertaking which provides financial support to the Company.

3. Audit Fee

The amount receivable by the auditors and their associates in respect of the audit of these financial statements is £3,620 (2018: £3,504). 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 period (2018: £nil).

5. Taxation

	2019	2018
	£	£
Total tax charged to the income statement	22,465	22,800

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

	2019	2018
	£	£
Profit before tax	118,236	120,000
Tax charge at standard rate of 19% (year ended 31 December 2018: 19%)	22,465	22,800
Total tax charge for the period	22,465	22,800



Notes to the Financial Statements

(Forming part of the Financial Statements)

6. Property, Plant and Equipment

	2019	2018
	£	£
Freehold Land and Buildings		
Cost		
At beginning and end of period	3,131,024	3,131,024
Impairment losses		
At beginning and end of period	(1,381,024)	(1,381,024)
Net book value at end of period	1,750,000	1,750,000

The freehold land and buildings have been leased out under an operating lease. The future minimum lease payments receivable under non-cancellable leases are as follows:

	2019	2018
	£	£
Less than one year	120,000	120,000
Between one and five years	300,000	420,000
	420,000	540,000

The rental receipts during the period were £120,000 (2018: £120,000).

7. Other Assets

	2019	2018
	£	£
Rent receivable	46,000	6,000
Other assets	353	2,115
	46,353	8,115

8. Overdraft with Parent Undertaking

At 31 December 2019 the Company had an overdraft with the parent undertaking of £2,806,361 (2018: £2,863,558). The Company pays no interest on this overdraft (2018: none).



Notes to the Financial Statements

(Forming part of the Financial Statements)

9. Share Capital

	2019	2018
Authorised		
Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	2	2

10. Related Party Transactions

Parties are considered 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 payable to related parties at the period end were as follows:

	2019	2018
	£	£
Overdraft with parent undertaking	2,806,361	2,863,558

There was nothing recognised in the statement of comprehensive income in respect of related party transactions during the year (2018: £nil).

There were no loans made to Directors during the year (2018: none) and no balances outstanding at period end (2018: £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 (2018: none).

11. Parent Undertaking and Ultimate Holding Company

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 address is also at 23bis avenue de Messine, 75008 Paris.

The Company's immediate parent company is Rothschild & Co Continuation Limited, a private company limited by shares and incorporated in England and Wales whose registered office is at New Court, St. Swithin's Lane, London EC4N 8AL.

12. Post balance sheet event

In early 2020, COVID-19 was declared as a global pandemic by the World Health Organisation and since this time, COVID-19 has spread across the world. COVID-19 has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets. The Company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event.