



Rothschilds Continuation Finance PLC

Report of the Directors and Financial Statements
for the 9 months ended 31 December 2017

Strategic Report	2
Report of the Directors	3
Independent Auditor's Report to the Members of Rothschilds Continuation Finance PLC	5
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Cash Flow Statement	13
Notes to the Financial Statements	14-20





Strategic Report

Business Model and Strategic Objectives

Rothschilds Continuation Finance PLC (the Company) is a wholly-owned subsidiary of N M Rothschild & Sons Limited (NMR) and was incorporated on 30 August 2000 to operate as a finance vehicle for the benefit of NMR and its subsidiaries.

The principal activity of the Company is the raising of finance for the purpose of lending it to NMR and other companies in NMR's group (the Group). The Company raises finance by the issue of perpetual subordinated notes guaranteed by NMR.

Business Update and Key Performance Indicators

Operating profit for the 9 months ended 31 December 2017 was £8,952, a decrease of £1,641 (15%) on the prior year. The Company's profit before tax was £25,953 compared to a profit of £25,850 in the prior year. The Company did not issue or redeem any notes during the year.

Rothschild & Co SCA announced on 21 March 2017 that it will change its financial year end from 31 March to 31 December. Rothschilds Continuation Finance PLC has changed its year end in line with this such that this set of financial statements is for the 9 month period ended 31 December 2017. 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 12 months from 1 April 2016 to 31 March 2017.

Principal Risks and Uncertainties

The principal risks of the Company are credit risk, liquidity risk, market risk and operational risk. The Company follows the risk management policies of the parent undertaking, NMR.

The Company's market risk exposure is limited to interest rate and currency exchange rate movements. Exposure to interest rate movements on the perpetual subordinated note issues has been passed to NMR, as the issue proceeds have been lent onwards to NMR at a fixed margin of one basis point above the rate being paid. Currency risk is not considered significant as all material foreign currency balances and cash flows are matched.

Liquidity risk has similarly been transferred to NMR as the funds on-lent have the same maturity dates as the notes issued. The Company's principal credit risk is with NMR. Since notes issued by the Company have been guaranteed by, and funds have been on-lent to, NMR, the Company's ability to meet its obligations in respect of notes issued by it is affected by NMR's ability to make payments to the Company.

Operational risk arising from inadequate or failed internal processes, people and systems or from external events is managed by maintaining a strong framework of internal controls.

By Order of the Board

Peter Barbour, Director
New Court, St Swithin's Lane, London EC4N 8AL
28 March 2018



Report of the Directors

The Directors present their Directors' report and the financial statements for the 9 months ended 31 December 2017.

Dividends

During the period, the Company paid dividends of £100,000 (year ended 31 March 2017: £nil).

Directors

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

Peter Barbour
Christopher Coleman
Mark Crump

Directors' 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.

Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

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 or she ought to have taken as a Director to make himself or herself 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 Strategic Report, 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.



Report of the Directors

Directors' Responsibilities Statement (cont.)

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 Group and parent 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 group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, and Corporate Governance Statement that complies with that law and those regulations.

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.

Responsibility Statement of the Directors in respect of the Annual Financial Report

We confirm to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By Order of the Board

Helen Horton, Company Secretary
New Court, St. Swithin's Lane, London EC4N 8AL
28 March 2018

Independent Auditor's Report to the Members of Rothschilds Continuation Finance PLC

1. Our opinion is unmodified

We have audited the financial statements of Rothschilds Continuation Finance PLC ("the Company") for the period ended 31 December 2017 which comprise the Company primary statements and the 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 2017 and of the Company's profit for the period then ended;
- the Company financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU);
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

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 believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to those charged with governance.

We were appointed as auditor by the directors on 31 March 1994. The period of total uninterrupted engagement is the 23 years ended 31 December 2017. We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality:	£1.34m (31 March 2017: £1.29m)
financial statements as a whole	1% (31 March 2017: 1%) of Total Assets

Risks of material misstatement	vs March 2017
---------------------------------------	----------------------

Recurring risks	Loans to parent undertaking	No change
------------------------	-----------------------------	-----------

Independent Auditor's Report to the Members of Rothschilds Continuation Finance PLC

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matter (unchanged from March 2017), in arriving at our audit opinion above, together with our key audit procedures to address that matter, and, as required for public interest entities, our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Loans to parent undertaking (£133 million; 31 March 2017: £128 million) <i>Refer to page 15 (accounting policy) and page 17 (financial disclosure)</i>	Low Risk, high value: The amount of the intercompany loan receivable represents 99% (March 2017: 99%) of the Company's total assets. The recoverability of this loan is not at a high risk of significant misstatement or subject to significant judgement. However, due to its materiality in the context of the financial statements, this is considered to be the area that has the greatest effect on our audit.	Our procedures included: — Test of details: Comparing the value of loans from the Company with the relevant parent undertaking's draft balance sheet to assess whether the parent is able to repay the loan as it falls due. Our results: — We found the recoverability of the loan to the parent undertaking to be acceptable (March 2017: acceptable)

3. Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements for the period ending 31 December 2017 was set at £1.34m (31 March 2017: £1.29m) determined with reference to a benchmark of total assets (of which it represents 1% (31 March 2017: 1%). The threshold for reporting misstatements to those charged with governance was £0.07m (31 March 2017: £0.06m).

Independent Auditor's Report to the Members of Rothschilds Continuation Finance PLC

4. We have nothing to report on going concern

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

5. We have nothing to report on the other information in the financial statements

The directors are responsible for the other information presented in the financial statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

6. We have nothing to report on the other 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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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.

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Rothschilds Continuation Finance PLC

7. Respective responsibilities

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 including 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.

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 other irregularities (see below), 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, other irregularities 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

Irregularities – ability to detect

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

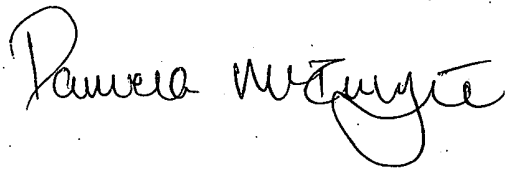
In addition we considered the impact of laws and regulations recognising the financial nature of the Company's activities and its legal form. With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the directors and other management and inspection of regulatory and legal correspondence.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. As with any audit, there remained a higher risk of non-detection of non-compliance with relevant laws and regulations irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Independent Auditor's Report to the Members of Rothschilds Continuation Finance PLC

8. 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 or 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

28 March 2018



Statement of Comprehensive Income

For the 9 months ended 31 December 2017

	Note	9 months to 31 December 2017 £	Year to 31 March 2017 £
Interest income		1,159,766	1,134,551
Interest expense		(1,150,814)	(1,123,958)
Operating profit		8,952	10,593
Foreign exchange translation profits		17,001	15,257
Profit before tax		25,953	25,850
Taxation	5	(4,933)	(5,168)
Profit for the financial year		21,020	20,682
Other comprehensive income		—	—
Total comprehensive income for the financial year		21,020	20,682

All amounts are in respect of continuing activities.

The notes on pages 14 to 20 form an integral part of these financial statements



Balance Sheet

At 31 December 2017

	Note	31 December		31 March	
		2017	2017	2017	2017
		£	£	£	£
Non-current assets					
Loan to parent undertaking	6		133,151,064		128,299,434
Current assets					
Cash and cash equivalents	8	238,794		294,935	
Other financial assets	7	203,425		282,900	
		442,219		577,835	
Current liabilities					
Bank overdraft	8	(23,186)			
Current tax payable		(4,931)		(5,168)	
Other financial liabilities	9	(201,391)		(280,976)	
Net current assets			212,711		291,691
Total assets less current liabilities			133,363,775		128,591,125
Non-current liabilities					
Debt securities in issue	10		(133,151,064)		(128,299,434)
Net assets			212,711		291,691
Shareholders' equity					
Share capital	12		100,000		100,000
Retained earnings			112,711		191,691
Total shareholders' equity			212,711		291,691

Approved by the Board of Directors and signed on its behalf on 28 March 2018 by:

Peter Barbour, Director

The notes on pages 14 to 20 form an integral part of these financial statements

Registered number: 04064727



Statement of Changes in Equity

For the 9 months ended 31 December 2017

	Share Capital £	Retained Earnings £	Total Equity £
At 1 April 2017	100,000	191,691	291,691
Total comprehensive profit for the financial year	-	21,020	21,020
Shareholders' dividends	-	(100,000)	(100,000)
At 31 December 2017	100,000	112,711	212,711
<hr/>			
At 1 April 2016	100,000	171,009	271,009
Total comprehensive profit for the financial year	-	20,682	20,682
At 31 March 2017	100,000	191,691	291,691

The notes on pages 14 to 20 form an integral part of these financial statements

Registered number: 04064727

12

Rothschild's Continuation Finance PLC



Cash Flow Statement

For the 9 months ended 31 December 2017

	Note	9 months to 31 December 2017 £	Year to 31 March 2017 £
Cash flow from operating activities			
Net profit for the financial period		21,020	20,682
Taxation		4,933	5,168
Operating profit before changes in working capital and provisions		25,953	25,850
Cash from operations		25,953	25,850
Taxation paid		(5,170)	(4,882)
Net cash from operating activities		20,783	20,968
Cash from financing activities			
Net (increase) in loans and interest receivable		(4,772,155)	(9,666,240)
Net increase in debt securities in issue and interest payable		4,772,045	9,666,130
Dividends paid		(100,000)	-
Net cash flow from financing activities		(100,110)	(110)
Net (decrease)/increase in cash and cash equivalents		(79,327)	20,858
Cash and cash equivalents at beginning of period		294,935	274,077
Cash and cash equivalents at end of period	8	215,608	294,935

Interest receipts and payments during the year were as follows:

	9 months to 31 December 2017 £	Year to 31 March 2017 £
Interest received from parent undertaking	1,239,241	1,058,055
Interest paid to note holders	1,230,399	1,046,924

The notes on pages 14 to 20 form an integral part of these financial statements



Notes to the Financial Statements

(forming part of the Financial Statements)

For the 9 months ended 31 December 2017

1. Accounting Policies

Rothschilds Continuation Finance PLC (the Company) is a public limited company 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 rules.

The maturities of the Company's liabilities are matched with the maturities of its assets, there is, therefore a strong expectation that the Company has adequate resources to continue in operational existence for the foreseeable future at least twelve months from the date the financial statements are signed and accordingly, the financial statements have been prepared on a going concern basis.

The financial statements are presented in sterling, unless otherwise stated.

Standards affecting the financial statements

There were no new standards or amendments to standards that have been applied in the financial statements for the 9 months ended 31 December 2017.

Future accounting developments

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 December 2017 and therefore have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

Accounting standards first effective for accounting periods beginning on or after 1 January 2018

IFRS 9 Financial Instruments, which replaces IAS 39 Financial Instruments: Recognition and Measurement and includes revised guidance in respect of the classification and measurement of financial assets and liabilities and introduces additional requirements for liabilities and hedge accounting as well as a new expected credit loss model for calculating impairment on financial assets. This new standard is not expected to have a material impact on the Company.

b. Interest receivable and payable

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



Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies (continued)

c. 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.

d. 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.

e. Taxation

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

f. Capital management

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

g. Financial assets and liabilities

Financial assets and liabilities are recognised on trade date and derecognised on either trade date, if applicable, or on maturity or repayment.

On initial recognition, IAS 39 requires that financial assets be classified into the following categories; at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available for sale investments. The company does not hold any assets that are classified as held-to-maturity, available for sale or fair value through profit and loss investments.

i. Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and advances are initially recorded at fair value, including any transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Gains and losses arising on derecognition of loans and advances are recognised in other operating income.

ii. Financial liabilities

All financial liabilities are carried at amortised cost using the effective interest rate method.

h. Accounting Judgements and estimates

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.



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 as follows:

- 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 13 Related Party Transactions.
- Market risk – exposure to changes in market variables such as interest rates, currency exchange rates, equity and debt prices is not considered significant as the terms of financial assets substantially match those of financial liabilities.
- 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 the risk has been transferred to NMR. As the funds on-lent to NMR have the same maturity dates as the notes issued, the Company's ability to meet its obligations in respect of notes issued by it is affected by NMR's ability to make payments 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 £5,000 (year to 31 March 2017: £4,847). 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 (year to 31 March 2017: £nil).

5. Taxation

	9 months to 31 December 2017 £	Year to 31 March 2017 £
Profit before tax	25,953	25,850
United Kingdom corporation tax charge at 19% (year to 31 March 2017: 20%)	4,931	5,168
Prior year adjustment	2	-
Tax charge for the year	4,933	5,168



Notes to the Financial Statements

(forming part of the Financial Statements)

6. Non-current Assets: Loan to Parent Undertaking

	31 December 2017 £	31 March 2017 £
Amounts owed by parent undertaking		
€150,000,000 Perpetual floating rate subordinated loan	133,151,064	128,299,434
Due:		
In 5 years or more	133,151,064	128,299,434

The interest rate charged on the €150 million loan is EUR-TEC10-CNO plus 36 basis points, capped at 9.01 per cent, fixed on 05 February, 05 May, 05 August and 05 November each year.

The effective interest rate on the above loan at 31 December 2017 was 1.00% (at 31 March 2017: 1.47%) and the fair value was £119,476,450 (at 31 March 2017: £92,516,722). The above loans were valued from quoted market prices of a similar instrument (level 2).

7. Current Assets: Other Financial Assets

	31 December 2017 £	31 March 2017 £
Amounts owed by parent undertaking:		
Interest receivable	203,425	282,900

8. Cash and Cash Equivalents

At the period end the Company held cash of £215,608 (at 31 March 2017: £294,935) at the parent undertaking. Of this balance, £23,186 was held as an overdraft in a sterling account (at 31 March 2017: debit balance of £81,985). The equivalent of £238,794 (at 31 March 2017: £212,950) was held in a euro account. The effective interest rate at 31 December 2017 was 0.0% (at 31 March 2017: 0.0%).

9. Current Liabilities: Other Financial Liabilities

	31 December 2017 £	31 March 2017 £
Interest payable	201,391	280,976



Notes to the Financial Statements

(forming part of the Financial Statements)

10. Non-current Liabilities: Debt Securities in Issue

	31 December 2017 £	31 March 2017 £
Perpetual Subordinated Notes		
€150,000,000	133,151,064	128,299,434
Repayable		
In 5 years or more	133,151,064	128,299,434

The interest rate payable on the €150 million Perpetual Subordinated Notes is EUR-TEC10-CNO plus 35 basis points, capped at 9 per cent, fixed on 05 February, 05 May, 05 August and 05 November each year. From and including the interest payment date falling in August 2016 and every interest payment date thereafter, the Company may redeem all (but not some only) of the Perpetual Subordinated Notes at their principal amount.

The effective interest rate on the above notes at 31 December 2017 was 0.99% (at 31 March 2017: 1.46%) and their fair value was £119,276,723 (at 31 March 2017: £92,324,273). The fair value was derived from the quoted market price at the balance sheet date (level 1).

11. Maturity of Financial Liabilities

The following table shows contractual cash flows payable by the Company on the perpetual subordinated notes, analysed by remaining contractual maturity at the balance sheet date. Interest cashflows on perpetual subordinated notes are estimated and shown up to five years only, with the principal balance being shown in the perpetual column.

	Demand	3 months or less but not payable on demand	1 year or less but over 3 months	5 years or less but over 1 year	Perpetual	Total
At 31 December 2017	£	£	£	£	£	£
Perpetual subordinated notes	-	329,549	988,647	5,272,784	133,151,064	139,742,044

	Demand	3 months or less but not payable on demand	1 year or less but over 3 months	5 years or less but over 1 year	Perpetual	Total
At 31 March 2017	£	£	£	£	£	£
Perpetual subordinated notes	-	467,010	1,406,162	7,492,687	128,299,434	137,665,293



Notes to the Financial Statements

(forming part of the Financial Statements)

12. Share Capital

	31 December 2017 £	31 March 2017 £
Authorised, allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

13. 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 from related parties at the period end were as follows:

	31 December 2017 £	31 March 2017 £
Cash and cash equivalents at parent undertaking	215,608	294,935
Accrued interest receivable from parent undertaking	203,425	282,900
Loans to parent undertaking	133,151,064	128,299,434

Amounts recognised in the statement of comprehensive income in respect of related party transactions were as follows:

	9 months to 31 December 2017 £	Year to 31 March 2017 £
Interest income from parent undertaking	1,159,766	1,134,551
Interest expense to parent undertaking	-	507

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

	9 months to 31 December 2017 £	Year to 31 March 2017 £
Dividend payable to parent undertaking	100,000	-

There were no loans made to Directors during the period (year to 31 March 2017: none) and no balances outstanding at the period end (at 31 March 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 period (year to 31 March 2017: none).



Notes to the Financial Statements

(forming part of the Financial Statements)

14. Parent Undertaking, Ultimate Holding Company and Registered Office

The largest group in which the results of the Company are consolidated is that headed by Rothschild 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 Rothschild & Co website at www.rothschildandco.com.

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

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