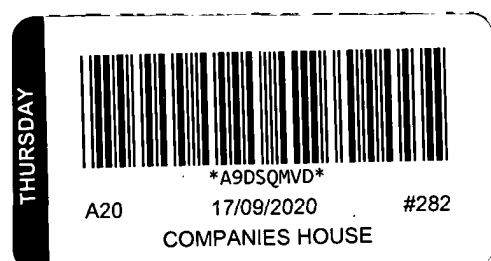


# **Edmond De Rothschild (UK) Limited**

Registered number: 01750485

## **Annual Report and consolidated financial statements**

**For the year ended 31 December 2019**



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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	E A Horner C F R Tobiano V A J Taupin M Liebi J F Dusch
<b>Registered number</b>	01750485
<b>Registered office</b>	4 Carlton Gardens London SW1Y 5AA
<b>Independent auditor</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT
<b>Bankers</b>	Barclays Bank Plc 1 Churchill Place London E14 5HB

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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## **EDMOND DE ROTHSCHILD (UK) LIMITED**

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### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their strategic report of Edmond de Rothschild (UK) Limited, Company Number 01750485, ("the Company") for the year ended 31 December 2019.

#### **Business review and principal activities**

The principal activities of the Company and its subsidiaries (note 15) (the "UK Group") for the year reported were asset management, private banking and the provision of corporate financial advice. The Company has continued to provide management oversight, staff and facilities to its subsidiaries. The results for the UK Group are set out in the Consolidated Statement of Comprehensive Income on page 9, which shows a profit before taxation for the year of £1.2m (2018: loss of £3.9m), on revenue of £16.8m (2018: £13.4m). Management monitors trading activity and profitability on a regular basis in line with the agreed business strategy, and it considers the year-end financial position to be satisfactory.

As explained in more detail in note 30, the Company is a wholly-owned subsidiary of Edmond de Rothschild Holding S.A., incorporated in Switzerland ("EdR SA", the "ultimate parent company").

A summary of 2019's trading activity by business line and subsidiary is set out below.

#### **Asset Management**

The principal activity of Edmond de Rothschild Asset Management (UK) Limited ("EdRAM (UK)") is Infrastructure & Real Assets & Structured Finance comprising the set up and management of infrastructure debt funds and advisory services related to the structuring of the financing of major infrastructure projects. The results for EdRAM (UK) show an operating profit before tax of £0.1m (2018: loss of £1.3m) being the combination of an increase in revenues of 24.4% to £5.9m (2018: £4.8m) and a reduction of 4.8% in administrative expenses to £5.7m (2018: £6.0m). EdRAM (UK) maintained net assets to £4.2m (2018: £4.2m). Assets under management increased 52% to £2.0bn including commitments (2018: £1.3bn) resulting from a steady growth in amounts managed for existing and new clients. Following the successful launch of two sub-funds in 2018, which continued to fund raise in 2019, new assets were attracted in the current year leading to mandates for three further sub-funds. Overall the growth in new assets under management enables the team to make new investments driving revenue growth.

Edmond de Rothschild Capital Holdings Limited ("EdR CH") provides services in respect of several multi-manager investment funds and has operated in an increasingly difficult business environment during the year ended 31 December 2019 which resulted in the assets under management of The Capital Holdings Funds plc to reduce from US\$0.6bn to US\$0.5bn. Nevertheless, EdR CH has reported profitable results and will continue to develop its strategy of seeking opportunities to offer its expertise in the monitoring and selection of investment managers and other investment advisory opportunities. The results for EdR CH reflect a decrease in revenues of 37.3% to £3.4m (2018: £5.4m) and resulting in a decrease in profits before tax by 76.5% to £0.4m (2018: £1.7m). The financial position shows that equity attributable to equity holders decreased by 37.5% to £2.2m (2018: £3.5m).

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Private Merchant Banking & Corporate advisory**

The principal private banking activity of Edmond de Rothschild Private Merchant Banking LLP (the "Partnership") was supplemented by corporate finance activities for the first half of 2019. Following the conclusion of the corporate finance deals in the second half of 2019, a strategic decision was made to develop such opportunities from the main Paris-based Corporate Finance team, therefore the corporate finance activities in London were ceased with the primary focus of the Partnership being the investment management offering for private clients. Any private client's corporate finance needs will be dealt with by the Paris based Corporate Finance team. The results for the Partnership show a profit for the financial year of £1.2m for the year ended 31 December 2019 (2018: loss of £3.8m). This was due to corporate finance activities generating revenue of £4.7m (2018: £0.3m) combined with a reduction in administrative expenses to £4.3m (2018: £5.2m). At 31 December 2019, Total Members' Interests increased 81% to £3.2m (2018: £1.8m).

**Securities dealing, market making and corporate advisory services**

Edmond de Rothschild Securities (UK) Limited ("EdR Securities") entered voluntary liquidation proceedings in 2018 and was fully dissolved on the 26 December 2019 with no impact on the 2019 results.

**Business environment and future strategy**

The UK Group's strategy has proved resilient to the challenging market conditions experienced of late, and the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

**Principal risks and uncertainties**

The Company and its subsidiaries are subject to a number of risks. These include exposure to various markets and currencies, and exposure to a number of significant clients. The Company monitors and controls these risks without the use of complex financial derivatives. Whilst there is still uncertainty over Brexit, the directors of the UK Group do not envisage changes to the business models of its subsidiaries and continues to monitor the potential EU regulatory risks as part of the wider risk management strategy. The directors are satisfied that the Company and the UK Group has sufficient financial resources to pursue its activities.

The UK Group's strategy has proved resilient to the challenging market conditions experienced of late, and the directors are satisfied that, with the backing of its immediate parent company, Edmond de Rothschild (Suisse) S.A. which has a solid balance sheet and a consolidated solvency ratio significantly above the legal minimum requirement, it is appropriate notwithstanding the potential impact of the current COVID-19 pandemic to prepare the consolidated financial statements on a going concern basis.

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## EDMOND DE ROTHSCHILD (UK) LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Directors' section 172 statement

The directors have acted in a way that they considered, in good faith to promote the success of the Company and its subsidiaries for the benefit of its member, having regard to the following:

*Likely consequences of any decision in the long term:*

The Company is wholly owned by Edmond de Rothschild Suisse S.A. and as such will always operate to the standards set by its parent. Any decision taken will be aligned to the strategy of the wider group and be made in the best interests of all stakeholders. Impacts of any decisions will be determined through ongoing risk assessment conducted with all relevant stakeholders.

*Employees:*

The UK employees have employment contracts with Edmond de Rothschild (UK) Limited and participate in Edmond de Rothschild (UK) Limited's policies which aim to involve and inform employees on all matters that affect them. Our people are key to the success of the UK Group and talent development requires management to ensure optimum and efficient performance across all the teams. In particular, the Company is investing in its young talent by providing specialised training and funding for some professional qualifications.

*Business relationships:*

The UK Group recognises the importance of building strong relationships with customers and actively engages with representatives of key supplier contracts to build strong relationships delivering strategic objectives in an effective and efficient manner for both parties.

*Reputation:*

The Group's reputation is fundamental to its long-term success and the Directors are committed to adhering to laws and regulations, conducting business in a socially and environmentally responsible way and treating all stakeholders with honesty and integrity which is underpinned by the Company's Code of Ethics.

*Community and environment:*

The UK Group is conscious of both its social and environmental impact and is committed to reducing its carbon footprint with recycling and reduced use of paper and plastic throughout the Group. Reporting is required on a series of environmental indicators to its parent company on an annual basis.

*Need to act fairly as between members of the Company:*

The Company is wholly owned by Edmond de Rothschild Suisse S.A. and that shareholder supervises key decisions of the Company on a periodic basis. Information is shared effectively to ensure that the shareholder is engaged.

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



**J F Dusch**  
Director

Date: 20<sup>th</sup> May 2020

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their annual report and the audited consolidated financial statements of Edmond de Rothschild (UK) Limited for the year ended 31 December 2019.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 group and company and of the profit or loss of the group and company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to independent auditors**

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

- So far as the directors are aware, there is no relevant information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- The directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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## EDMOND DE ROTHSCHILD (UK) LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Directors

The directors who served during the year and up to the date of signing the financial statements were:

E J Coutts (resigned 24 June 2019)  
E H G Fievet (resigned 15 March 2019)  
E A Horner  
C F R Tobiano  
V A J Taupin (appointed 11 June 2019)  
M Liebi (appointed 2 July 2019)  
J F Dusch (appointed 24 June 2019)

None of the directors had, at any time during the year, any interest in the shares of the Company or of other UK Group companies that required disclosure in accordance with the Companies Act 2006.

Unaudited Pillar 3 disclosures can be found at <http://www.edmond-de-rothschild.com/site/United-kingdom/en/legal-information/legal-notice>.

#### Directors' Indemnities

As permitted by the Companies Act 2006, the Company has indemnified the directors and officers in respect of proceedings which may be brought by third parties and such indemnification was in place throughout the year and at the date of approval of these financial statements. Neither the Company's indemnity nor insurance provides cover in the event that a director or officer is proved to have acted fraudulently or dishonestly.

#### Matters covered in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report. These matters relate to the business review, principle risks and uncertainties and financial key performance indicators.

#### Financial Risk Management

The UK Group's activities expose it to a number of financial risks, including market risk, currency risk, and client concentration risk. Management has established a Risk Management Committee, monitored closely by the Board of Directors, which seeks to mitigate these risks as far as possible (with appropriate reference as required to the risk management practices of the parent company) as follows:

##### Market Risk

The UK Group has indirect exposure to market risk through its assets under management based revenues.

##### Currency Risk

Currency risk takes the form of exposure to management fees due in foreign currencies within its subsidiaries and foreign currency cash positions. When considered appropriate, the Company enters into forward contracts with the parent company, Edmond de Rothschild Holding S.A., to limit currency exposure.

##### Client Concentration Risk

The UK Group is exposed to concentration risk due to its reliance on a small number of significant clients in its subsidiaries.



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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Dividends**

No dividend on Edmond de Rothschild (UK) Limited's 15,700,000 (2018: 15,700,000) ordinary shares was paid in respect of the year ended 31 December 2019 (2018: £nil). The directors do not recommend the payment of a final dividend from this company.

An interim dividend of £1,043,000 in relation to the year ended 31 December 2018 was paid on 2 May 2019 (2018: £1,081,000) and a further interim dividend of £573,000 was paid on 2 May 2019 (2018: £332,000) by the subsidiary company EDRRIT Limited. Of these interim dividends £nil (2018: £692,000) was paid to external shareholder in relation to the prior year.

No further dividends in relation to the year ended 31 December 2019 have been proposed.

**Post balance sheet events**

On 11 February 2020 Edmond de Rothschild Client Nominees (UK) Limited was dissolved.


Since the year end we have seen the development of the coronavirus COVID-19 outbreak initially in China and now reaching most continents. At present, it is not possible to assess the detailed impact of this emerging risk but there is growing concern about the impact on the world economy. There has been significant correction in the financial markets in the last few weeks, the company continues to watch the efforts of governments to contain the spread of the virus and monitor the economic impact.

At the date of this report, it is too early to accurately predict the financial and business impact on the Group and Company of the COVID-19 outbreak at this time.

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



**J F Dusch**  
Director

Date: 20<sup>th</sup> May 2020

# ***Independent auditors' report to the members of Edmond de Rothschild (UK) Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Edmond de Rothschild (UK) Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2019 and of the group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and consolidated financial statements (the "Annual Report"), which comprise: the consolidated and company statements of financial position as at 31 December 2019; the consolidated statement of comprehensive income, the consolidated statement of cash flows, and the consolidated and company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

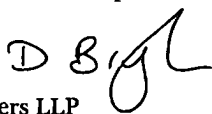
### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Daniel Brydon (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London



Date: 22 May 2020

**EDMOND DE ROTHSCHILD (UK) LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Continuing operations 2019 £000	Discontinued operations 2019 £000	Total 2019 £000	Continuing operations 2018 £000	Discontinued operations 2018 £000	Total 2018 £000
Turnover	4	12,132	4,682	16,814	13,067	283	13,350
Administrative expenses	5	(13,563)	(1,400)	(14,963)	(15,218)	(1,961)	(17,179)
Other operating (losses)/gains	6	(213)	-	(213)	22	-	22
<b>Operating profit/(loss)</b>		<u>(1,644)</u>	<u>3,282</u>	<u>1,638</u>	<u>(2,129)</u>	<u>(1,678)</u>	<u>(3,807)</u>
Loss on disposal of fixed asset investment	7	(347)	-	(347)	-	-	-
<b>Profit/(loss) before interest</b>		<u>(1,991)</u>	<u>3,282</u>	<u>1,291</u>	<u>(2,129)</u>	<u>(1,678)</u>	<u>(3,807)</u>
Finance income	8	2	-	2	7	-	7
Finance costs	9	(99)	-	(99)	(90)	-	(90)
<b>Profit/(loss) before taxation</b>		<u>(2,088)</u>	<u>3,282</u>	<u>1,194</u>	<u>(2,212)</u>	<u>(1,678)</u>	<u>(3,890)</u>
Tax on profit/(loss)	12	(3)	-	(3)	(594)	-	(594)
<b>Profit/(loss) available for division among members</b>		<u><u>(2,091)</u></u>	<u><u>3,282</u></u>	<u><u>1,191</u></u>	<u><u>(2,806)</u></u>	<u><u>(1,678)</u></u>	<u><u>(4,484)</u></u>

The current year operating profit of the LLP is derived from continuing operations except for the discontinued corporate finance activities. Of the results for 2019 shown above, £4,682,000 of turnover and £1,400,000 of administrative expenses relate to these discontinued operations. This results in a profit before tax of £3,282,000 relating to discontinued operations.

There was no other comprehensive income for 2019 (2018: £nil).

The notes on pages 15 to 43 form part of these financial statements.

**EDMOND DE ROTHSCHILD (UK) LIMITED**  
**REGISTERED NUMBER: 01750485**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Intangible assets	13	17	22
Tangible assets	14	4,697	5,299
Investments	15	107	2,393
		<u>4,821</u>	<u>7,714</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	16	4,743	4,062
Cash at bank and in hand	17	10,044	9,901
		<u>14,787</u>	<u>13,963</u>
Creditors: amounts falling due within one year	18	(11,317)	(14,292)
<b>Net current assets/(liabilities)</b>		<u>3,470</u>	<u>(329)</u>
<b>Total assets less current liabilities</b>		<u>8,291</u>	<u>7,385</u>
<b>Net assets</b>		<u>8,291</u>	<u>7,385</u>
<b>Capital and reserves</b>			
Called up share capital	21	15,700	15,700
Share premium account	20	2,159	2,159
Other reserves	20	728	1,013
Profit and loss account	20	(10,296)	(11,487)
<b>Total equity attributable to owners of the parent Company</b>		<u>8,291</u>	<u>7,385</u>
<b>Total shareholders' funds</b>		<u>8,291</u>	<u>7,385</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**J F Dusch**  
Director

Date: 20<sup>th</sup> May 2020



**C F R Tobiano**  
Director

Date: 20<sup>th</sup> May 2020

The notes on pages 15 to 43 form part of these financial statements.

**EDMOND DE ROTHSCHILD (UK) LIMITED**

**COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Intangible assets	13	-	-
Tangible assets	14	4,697	5,300
Investments	15	11,869	39,904
		<u>16,566</u>	<u>45,204</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	16	3,487	2,840
Cash at bank and in hand	17	1,333	864
		<u>4,820</u>	<u>3,704</u>
Creditors: amounts falling due within one year	18	(13,116)	(16,547)
<b>Net current liabilities</b>		<u>(8,296)</u>	<u>(12,843)</u>
<b>Total assets less current liabilities</b>		<u>8,270</u>	<u>32,361</u>
<b>Net assets</b>		<u>8,270</u>	<u>32,361</u>
<b>Capital and reserves</b>			
Called up share capital	21	15,700	15,700
Other reserves	20	728	1,013
Profit and loss account	20	(8,158)	15,648
<b>Total shareholders' funds</b>		<u>8,270</u>	<u>32,361</u>

The Company has elected to take exemption under Section 408 of the Companies Act 2006 not to present the Company Statement of comprehensive income. The loss of the Company for the year was £23,806,000 (2018: loss of £516,000) due to an impairment charge of £26,188,000 on the investment held in Edmond de Rothschild Private Merchant Banking LLP, refer to note 15 for further details.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**J F Dusch**  
Director

Date: 20<sup>th</sup> May 2020



**E R Tobiano**  
Director

Date: 20<sup>th</sup> May 2020

The notes on pages 15 to 43 form part of these financial statements.

**EDMOND DE ROTHSCHILD (UK) LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Total equity £000
<b>At 1 January 2018</b>	10,700	2,159	1,353	(6,311)	7,901	7,901
<b>Comprehensive loss for the year</b>						
Loss for the year	-	-	-	(4,484)	(4,484)	(4,484)
<b>Total comprehensive loss for the year</b>	-	-	-	(4,484)	(4,484)	(4,484)
Dividends: equity capital	-	-	-	(692)	(692)	(692)
Shares issued during the year	5,000	-	-	-	5,000	5,000
Incentive shares LTIP for the year (note 5)	-	-	(340)	-	(340)	(340)
<b>Total transactions with owners</b>	5,000	-	(340)	(692)	3,968	3,968
<b>At 31 December 2018</b>	15,700	2,159	1,013	(11,487)	7,385	7,385
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	-	1,191	1,191	1,191
<b>Total comprehensive income for the year</b>	-	-	-	1,191	1,191	1,191
Incentive shares LTIP for the year (note 5)	-	-	(285)	-	(285)	(285)
<b>Total transactions with owners</b>	-	-	(285)	-	(285)	(285)
<b>At 31 December 2019</b>	15,700	2,159	728	(10,296)	8,291	8,291

The notes on pages 15 to 43 form part of these financial statements.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	<b>Called up share capital £000</b>	<b>Other reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>At 1 January 2018</b>	10,700	1,353	16,164	28,217
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(516)	(516)
<b>Total comprehensive loss for the year</b>	-	-	(516)	(516)
<b>Contributions by and distributions to owners</b>				
Shares issued during the year	5,000	-	-	5,000
Incentive shares LTIP for the year (note 5)	-	(340)	-	(340)
<b>Total transactions with owners</b>	5,000	(340)	-	4,660
<b>At 31 December 2018</b>	15,700	1,013	15,648	32,361
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(23,806)	(23,806)
<b>Total comprehensive loss for the year</b>	-	-	(23,806)	(23,806)
<b>Contributions by and distributions to owners</b>				
Incentive shares LTIP for the year (note 5)	-	(285)	-	(285)
<b>Total transactions with owners</b>	-	(285)	-	(285)
<b>At 31 December 2019</b>	15,700	728	(8,158)	8,270

The notes on pages 15 to 43 form part of these financial statements.



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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	<b>2019 £000</b>	<b>2018 £000</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	1,191	(4,484)
<b>Adjustments for:</b>		
Amortisation of intangible assets	5	6
Depreciation of tangible assets	567	594
Impairment of tangible assets	39	-
Revaluation of investments	67	-
Investment expenses and other charges	99	90
Interest received	(2)	(7)
Taxation charge	3	594
(Increase)/decrease in debtors	(862)	5,218
Decrease in creditors	(2,974)	(4,439)
Corporation tax received	176	594
Loss on disposal of fixed asset investment	347	58
Incentive shares LTIP for the year	(285)	(340)
<b>Net cash used in operating activities</b>	<b>(1,629)</b>	<b>(2,116)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(3)	(29)
Proceeds from disposal investments	1,872	-
Interest received	2	7
<b>Net cash generated from/(used in) investing activities</b>	<b>1,871</b>	<b>(22)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	5,000
Dividends paid to external shareholders	-	(692)
Investment expenses and other charges excluding interest accruals	(99)	(69)
<b>Net cash (used in)/generated from financing activities</b>	<b>(99)</b>	<b>4,239</b>
<b>Net increase in cash and cash equivalents</b>	<b>143</b>	<b>2,101</b>
Cash and cash equivalents at beginning of year	9,901	7,800
<b>Cash and cash equivalents at the end of year</b>	<b>10,044</b>	<b>9,901</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	10,044	9,901
	<b>10,044</b>	<b>9,901</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

Edmond de Rothschild (UK) Limited (the "Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is 4 Carlton Gardens, London, England, SW1Y 5AA.

The principal activity of the Company and its subsidiaries are asset management, private banking and the provision of financial advice.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest thousand pounds.

**2. Accounting policies**

**2.1 Statement of compliance**

The Group and individual financial statements of Edmond de Rothschild (UK) Limited have been prepared in compliance with the United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. The Group and Company has also adopted the Amendments to FRS 102 (issued in January 2015).

**2.2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.3 Basis of preparation of financial statements**

The Group and Company financial statements are prepared under the historical cost convention as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Critical accounting judgements and key source of estimation uncertainty accounting policies.

The Group has chosen to apply paragraph 1A(2) of Schedule 1 to the Companies Regulations and adapt the Consolidated Statement of Comprehensive Income format and terminology to comply with Section 5 of FRS 102 (issued in July 2015). The Group and Company have also chosen to apply paragraph 1A(1) of Schedule 1 to adapt the consolidated and separate Balance sheet formats and terminologies to comply with Section 4 of FRS 102 (issued in January 2015).

**2.4 Basis of consolidation**

The Consolidated Statement of Comprehensive Income and Statement of Financial Position include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2019.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.5 Going concern**

On the basis of their assessment of the UK Group and Company's financial position and resources, the directors believe that the UK Group is well placed to manage its business risks. The ultimate parent company continues to support the UK Group, therefore the directors have a reasonable expectation that the UK Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**2.6 Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions have been complied with. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the financial statements of Edmond de Rothschild Holding S.A., which are publicly available.

As a qualifying entity, the Company has taken advantage of the following exemptions:

- i) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- ii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12 (a)(iv) of FRS 102; and
- iii) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

**2.7 Turnover**

Turnover represents the value of services provided and is recognised in the accounting period in which the services are rendered. The revenue shown in the statement of comprehensive income represents amounts invoiced and accrued during the year, exclusive of Value Added Tax.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

*Rendering of services*

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.8 Foreign currencies**

**(i) Functional and presentation currency**

The UK Group financial statements are presented in pound sterling and rounded to thousands. The Company's functional and presentation currency is Pound Sterling.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating (losses)/gains'.

**2.9 Operating leases**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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2. Accounting policies (continued)

2.10 Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

*i) Short term benefits*

Short term benefits including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

*ii) Defined contribution pension plans*

The UK Group operates a defined contribution plans for its employees. A defined contribution plan is a pension plan under which the UK Group pays fixed contributions into a separate entity.

Once the contributions have been paid the UK Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Statement of Financial Position. The assets of the plan are held separately from the UK Group in independently administered funds.

*iii) Share based payments*

The Company and UK Group provides share-based payment arrangements to certain employees.

Edmond de Rothschild (UK) Limited operates a share based compensation plan under which it receives services from employees as consideration for shares in Edmond de Rothschild Holding S.A., the parent.

The shares vest in three tranches: on the first, second and third anniversary from grant date and are settled in cash at the end of the vesting period by the parent. As the shares are settled by the parent, the UK Group and the Company recognise an expense in the Statement of Comprehensive Income in operating expenses and an amount through equity in the Statement of Financial Position over the vesting period. If any employee within the scheme leaves the UK Group or the Company within the vesting period, the shares are forfeited.

Equity-settled arrangements are measured at fair value (excluding the effect on non market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognized immediately in the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the UK Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.12 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software	-	2-4 years
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**2.13 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.13 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold Property	- 17 years
Leasehold Improvement	- 10 years
Fixtures and fittings	- 4 years
Office equipment	- 4 years
Computer equipment	- 2-4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

The leasehold property relates to the current office building. This is stated at cost less accumulated depreciation. Depreciation is provided on cost in equal daily instalments over the total life of the lease asset at 17 years from the date of the assignment from P&O Estates on 25 July 2014. The last day of the lease is 4 October 2031.

**2.14 Impairment of non-financial assets**

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of Comprehensive Income.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.15 Fixed Asset Investments**

Shares in subsidiary undertakings and other investments are stated in the Company's Statement of Financial Position at cost less provision for any diminution in value.

The Company has taken advantage of the transition exemption under paragraph 35.10(f) of FRS102 in respect of using a previous existing carrying value of investments in subsidiaries at, or before, the date of transition to FRS 102 as its deemed cost.

**2.16 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

**2.17 Related Party Disclosure**

Some investment advisory and placement advisory income earned by the UK Group is from other companies within the Group. The UK Group also incurs charges from other companies within the Group. These are detailed in note 26.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.18 Financial instruments**

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

**i) Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Current asset investments, which represent securities listed on recognised markets and other financial instruments, are valued at their market value at the year end. Short positions in securities and other financial instruments, which are included as creditors, are also valued at their market value at the year end. Debt securities include accrued interest.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial assets, other than those at Fair value transferred to the Statement of Comprehensive Income, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.18 Financial instruments (continued)**

**ii) Financial liabilities**

Basic financial liabilities, including trade creditors and short term loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

*Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**2.19 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.20 Rental Income**

Rental income received under operating leases is recognised in the Statement of Comprehensive Income on a straight line basis over the relevant lease term.

**2.21 Finance income and finance costs**

Finance income and finance costs are recognised in the Statement of Comprehensive Income using the effective interest method.

**3. Critical accounting judgements and key sources of estimation uncertainty**

The Company's principal accounting policies are set out above. UK Company Law and FRS 102 require the directors to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. Where accounting standards are not specific and management have to choose a policy, the Company is required to adopt policies that will result in information that is relevant, reliable, free from bias, prudent and complete in all material respects.

**Critical accounting estimates and assumptions**

The directors do not consider there to be any key sources of estimation uncertainty.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**4. Turnover - Group**

Analysis of revenue by class of business:

	<b>2019 £000</b>	<b>2018 £000</b>
Investment Advisory	3,726	6,011
Corporate Finance Advice	4,681	284
Asset Management	5,586	4,222
Wealth Management	851	1,130
Rent	1,055	795
Other	915	908
	<u>16,814</u>	<u>13,350</u>

Analysis of revenue by country of destination:

	<b>2019 £000</b>	<b>2018 £000</b>
United Kingdom	10,052	7,162
Rest of Europe	6,762	6,188
	<u>16,814</u>	<u>13,350</u>

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**5. Administrative Expenses - Group**

UK Group administrative expenses include, but not limited to:

	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
Depreciation and amortisation	572	598
Auditors' remuneration		
- Group - Audit of the financial statements	166	165
- Other services including tax compliance	42	113
- Company - Audit of the financial statements	58	58
- Other services including tax compliance	18	14
Directors' emoluments and employees' costs (note 10 & 11)	9,675	13,916
Operating lease rentals of office space	1,261	1,158

The bonus scheme includes a share based payment scheme. Shares of value of £728,140 (2018: £1,013,202) in Edmond de Rothschild Holding S.A. will be granted to the eligible employees and settled at the end of each vesting period. An accrual of £413,810 (2018: £236,793) has been recognised in equity and operating expenses as at 31 December 2019. During the year shares of £716,810 (2018: £495,045) were exercised.

**6. Other operating (losses)/gains - Group**

	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
Foreign exchange (losses)/gains	(213)	22
	<u>(213)</u>	<u>22</u>

**7. Loss on disposal of fixed asset investment - Group**

	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
Loss on disposal of fixed asset investment	(347)	-
	<u>(347)</u>	<u>-</u>

The loss on disposal relates to EDRRIT Limited's disposal of Edmond de Rothschild (France) during the year.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**8. Finance income - Group**

	<b>2019 £000</b>	<b>2018 £000</b>
Income from financial investments	<u>2</u>	<u>7</u>

**9. Finance costs - Group**

	<b>2019 £000</b>	<b>2018 £000</b>
Investment expenses and other charges	<u>99</u>	<u>90</u>

**10. Directors' remuneration - Group**

	<b>2019 £000</b>	<b>2018 £000</b>
Directors' emoluments	3,383	3,557
Aggregate value of company contributions to defined contribution schemes (in respect of 5 directors) (2018: 4)	50	59
5 directors are accruing benefits under a long-term incentive scheme (2018: 5)	606	538
	<u>4,039</u>	<u>4,154</u>

During the year retirement benefits were accruing to no directors (2018: nil) in respect of defined contribution pension schemes.

Share options exercised during the year 7,051 (2018: 5,646) at a sterling equivalent price per share of £92.09 (2018: £88.74).

	<b>2019 £000</b>	<b>2018 £000</b>
<b>Highest paid director</b>		
Aggregate emoluments	712	974
Contributions to defined contribution pension schemes	10	10
Accrued benefits under long-term incentive scheme	305	247
	<u>1,027</u>	<u>1,231</u>

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**11. Employees - Group**

Staff costs, including directors' remuneration, were as follows:

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	8,777	13,392
Social security costs	607	151
Cost of defined contribution scheme	291	373
	<u>9,675</u>	<u>13,916</u>

The amount outstanding at 31 December 2019 in respect of defined contribution schemes is £nil (31 December 2018: £nil).

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
Investment and advice	29	31
Administration	8	10
	<u>37</u>	<u>41</u>

**12. Tax on profit/(loss) - Group**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
<b>Corporation tax</b>		
Adjustments in respect of previous periods	3	90
<b>Total current tax</b>	<u>3</u>	<u>90</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	563
Effect of changes in tax rates	-	(59)
<b>Total deferred tax</b>	<u>-</u>	<u>504</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>3</u>	<u>594</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**12. Tax on profit/(loss) - Group (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	<b>2019 £000</b>	<b>2018 £000</b>
Profit/(loss) before tax	1,194	(3,890)
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	227	(739)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	139	159
Income not taxable	-	(32)
Adjustment from previous periods	3	90
Tax rate changes	-	(59)
Deferred tax not provided	(501)	1,175
Capital disposals	69	-
Group relief	66	-
<b>Total tax charge for the year</b>	<b>3</b>	<b>594</b>

**Factors that may affect future tax charges**

The Group and Company's profits for this accounting year are taxed at an effective rate of 19% (2018: 19%).

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. The impact of using the tax rate of 17% rather than 19% is not material.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Intangible assets****Group and Company**

	<b>Computer software £000</b>
<b>Cost</b>	
At 1 January 2019	89
At 31 December 2019	89
<b>Amortisation</b>	
At 1 January 2019	67
Charge for the year	5
At 31 December 2019	72
<b>Net book value</b>	
At 31 December 2019	17
At 31 December 2018	22



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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**14. Tangible assets****Group**

	<b>Long-term leasehold property £000</b>	<b>Leasehold improve- ment £000</b>	<b>Fixtures and fittings £000</b>	<b>Office equipment £000</b>	<b>Computer equipment £000</b>	<b>Total £000</b>
<b>Cost</b>						
At 1 January 2019	5,627	2,265	740	59	306	8,997
Additions	-	-	3	-	-	3
Disposals	-	(77)	-	-	-	(77)
At 31 December 2019	<u>5,627</u>	<u>2,188</u>	<u>743</u>	<u>59</u>	<u>306</u>	<u>8,923</u>
<b>Accumulated depreciation</b>						
At 1 January 2019	1,451	1,143	739	59	306	3,698
Charge for the year	327	239	1	-	-	567
Disposals	-	(39)	-	-	-	(39)
At 31 December 2019	<u>1,778</u>	<u>1,343</u>	<u>740</u>	<u>59</u>	<u>306</u>	<u>4,226</u>
<b>Net book value</b>						
At 31 December 2019	<u>3,849</u>	<u>845</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>4,697</u>
At 31 December 2018	<u>4,176</u>	<u>1,122</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>5,299</u>

NOTES TO THE FINANCIAL STATEMENTS  
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14. Tangible assets (continued)

Company

	Leasehold property £000	Leasehold improve- ment £000	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
<b>Cost</b>						
At 1 January 2019	5,627	2,267	738	59	306	8,997
Additions	-	-	2	-	-	2
Disposals	-	(77)	-	-	-	(77)
At 31 December 2019	5,627	2,190	740	59	306	8,922
<b>Accumulated depreciation</b>						
At 1 January 2019	1,451	1,145	736	59	306	3,697
Charge for the year	327	239	1	-	-	567
Disposals	-	(39)	-	-	-	(39)
At 31 December 2019	1,778	1,345	737	59	306	4,225
<b>Net book value</b>						
At 31 December 2019	3,849	845	3	-	-	4,697
At 31 December 2018	4,176	1,122	2	-	-	5,300

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15. Investments

Group

	Interests in group undertakings £000	Other fixed asset investments £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2019	2,497	318	2,815
Disposals	(2,427)	(118)	(2,545)
At 31 December 2019	70	200	270
<b>Impairment</b>			
At 1 January 2019	189	233	422
Impairment on disposals	(208)	(118)	(326)
Revaluations	19	48	67
At 31 December 2019	-	163	163
<b>Net book value</b>			
At 31 December 2019	70	37	107
At 31 December 2018	2,308	85	2,393

NOTES TO THE FINANCIAL STATEMENTS  
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15. Investments (continued)

Company

	Investments in subsidiary companies £000	Other fixed asset investments £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2019	39,819	318	40,137
Additions	201	-	201
Disposals	(2,000)	(118)	(2,118)
At 31 December 2019	38,020	200	38,220
<b>Impairment</b>			
At 1 January 2019	-	233	233
Impairment charge for the year	26,188	-	26,188
Impairment on disposals	-	(118)	(118)
Revaluations	-	48	48
At 31 December 2019	26,188	163	26,351
<b>Net book value</b>			
At 31 December 2019	11,832	37	11,869
At 31 December 2018	39,819	85	39,904

The addition of £201,000 relates to a £200,000 capital injection into Edmond de Rothschild Private Merchant Banking LLP and £1,000 for the transfer of the investment in Edmond de Rothschild Client Nominees (UK) Limited to Edmond de Rothschild (UK) Limited from Edmond de Rothschild Securities (UK) Limited, which has since been wound up.

The disposal of £2,000,000 relates to Edmond de Rothschild Securities (UK) Limited which was fully dissolved on the 26 December 2019.

The impairment charge of £26,188,000 relates to the reduction in the value of the investment held in Edmond de Rothschild Private Merchant Banking LLP to its net asset value as at 31 December 2019 of £3,208,000.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**15. Investments (continued)****Direct subsidiary undertakings**

The following were direct subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
EDRRIT Limited	4 Carlton Gardens, London, SW1Y 5AA	Holding company	277,778 ordinary shares of £1 each	100%
Edmond de Rothschild Asset Management (UK) Limited	4 Carlton Gardens, London, SW1Y 5AA	Fund adviser	4,400,000 ordinary shares of £1 each	100%
Edmond de Rothschild Private Merchant Banking LLP	4 Carlton Gardens, London, SW1Y 5AA	Adviser	29,387,632 ordinary 'A' corporate members' interest of £1 each	100%
Edmond de Rothschild Client Nominees (UK) Limited	4 Carlton Gardens, London, SW1Y 5AA	Dormant	1,000 ordinary shares of £1 each	100%

Edmond de Rothschild Securities (UK) Limited filed for voluntary liquidation on the 21 September 2018 and was fully dissolved on 26 December 2019.

Edmond de Rothschild Client Nominees (UK) Limited filed for voluntary liquidation on the 14 November 2019 and was fully dissolved on 11 February 2020.

**Indirect subsidiary undertakings**

The following were indirect subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
LCH Investments N.V.	Kaya WFG, Mensing 14, Willemstad, Curacao	Investment advisor in Capital Holdings	5 ordinary shares of \$1 each	0.5%
Edmond de Rothschild Capital Holdings Limited	4 Carlton Gardens, London, SW1Y 5AA	Investing activities	250,000 ordinary shares of £1 each	100%

During the year ended 31 December 2019, the direct subsidiary undertaking EDRRIT Limited disposed of 100% of its investment in Edmond de Rothschild (France). As such, Edmond de Rothschild (France) is no longer an indirect subsidiary undertaking.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**16. Debtors: amounts falling due within one year**

	<b>Group 2019 £000</b>	<b>Group 2018 £000</b>	<b>Company 2019 £000</b>	<b>Company 2018 £000</b>
Trade debtors	181	623	1	236
Amounts owed by group undertakings	1,853	466	2,592	2,054
Other debtors	510	284	454	175
Prepayments and accrued income	2,199	2,689	440	375
	<u>4,743</u>	<u>4,062</u>	<u>3,487</u>	<u>2,840</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**17. Cash at bank and in hand**

	<b>Group 2019 £000</b>	<b>Group 2018 £000</b>	<b>Company 2019 £000</b>	<b>Company 2018 £000</b>
Cash at bank and in hand	10,044	9,901	1,333	864

**18. Creditors: Amounts falling due within one year**

	<b>Group 2019 £000</b>	<b>Group 2018 £000</b>	<b>Company 2019 £000</b>	<b>Company 2018 £000</b>
Trade creditors	117	918	40	161
Amounts owed to group undertakings	6,344	7,467	8,554	11,154
Corporation tax	-	679	-	455
Other taxation and social security	30	54	-	54
Other creditors	542	511	295	234
Accruals and deferred income	4,284	4,663	4,227	4,489
	<u>11,317</u>	<u>14,292</u>	<u>13,116</u>	<u>16,547</u>

Amounts owed to group undertakings are repayable on demand and include an unsecured loan from Edmond de Rothschild Suisse S.A. at an average annual interest rate of 1.5885% (2018: 1.5454%) with no fixed date of repayment.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**19. Deferred taxation****Group**

	<b>2018 £000</b>
At beginning of year	504
Charged to the Statement of comprehensive income	(563)
Effect of changes in tax rate	59
<b>At end of year</b>	<b>-</b>

**Company**

	<b>2018 £000</b>
At beginning of year	504
Charged to the Statement of comprehensive income	(504)
<b>At end of year</b>	<b>-</b>

The deferred tax assets are determined by and sensitive to, the future forecasted profits of the UK Group. There are no deferred tax assets in the current year or prior year for the group and company.

For the current year there was an unrecognised deferred tax asset of £2,493,929 (2018: £2,979,335) relating to losses incurred in 2018 and previous years.

**20. Reserves****Share premium account**

This reserve represents the difference between the nominal value received and called up share capital of investments in intergroup companies.

**Other reserves**

Other reserves relates to long term incentive plans.

**Profit and loss account**

This reserve represents the cumulative profits and losses.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**21. Called up share capital**

	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
<b>Allotted, called up and fully paid</b>		
15,700,000 (2018: 15,700,000) ordinary shares of £1 each	15,700	15,700

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

**22. Dividends - Group**

	<b>2019</b> <b>£000</b>	<b>2018</b> <b>£000</b>
<b>Ordinary dividends</b>		
Proposed and paid of £nil per subsidiary share (2018: £4.41)	-	692

There was no dividend proposed or paid during the year for the Company (2018: £nil).

**23. Commitments under operating leases**

At 31 December 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group</b> <b>2019</b> <b>£000</b>	<b>Group</b> <b>2018</b> <b>£000</b>
Not later than 1 year	1,250	1,250
Later than 1 year and not later than 5 years	5,000	5,000
Later than 5 years	8,459	9,709
	<u>14,709</u>	<u>15,959</u>



NOTES TO THE FINANCIAL STATEMENTS  
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24. Financial instruments

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	37	85	37	86
Financial assets that are debt instruments measured at amortised cost	12,588	11,274	4,380	3,329
	<u>12,625</u>	<u>11,359</u>	<u>4,417</u>	<u>3,415</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(11,287)	(13,559)	(13,116)	(16,038)
	<u>(11,287)</u>	<u>(13,559)</u>	<u>(13,116)</u>	<u>(16,038)</u>

Financial assets measured at fair value through profit or loss comprise fixed asset investments and current asset investments.

Financial assets that are debt instruments measured at amortised cost comprise cash and cash equivalents, trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

**Amounts recognised in profit or loss**

The income, expense and changes in fair values of financial assets at fair value through profit or loss recorded in the statement of comprehensive income is as follows:

	2019 £000	2018 £000
Income from financial investments	2	7
Investment expenses and similar charges	(99)	(90)
	<u>(97)</u>	<u>(83)</u>

**Impairment and risk exposure**

There were no impaired debtors. Information about the impairment of trade and other debtors, their credit quality and the company's exposure to credit risk can be found in the accounting policy note for financial instruments.

**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Risk management**

The Board of each company is responsible for overseeing and directing the management of risks arising from that company's business. The board of the Company maintains oversight of the risk management for the UK Group, including the regulatory risk capital for each FCA-regulated company.

The boards are assisted in fulfilling their risk management responsibilities by the Risk and Compliance Committee, which provides oversight, analysis and advice regarding the management of risks and the adequacy and effectiveness of the internal control environment. The Company has also established an Audit Committee to provide senior, independent oversight.

The UK Group adopts a 'three lines of defence' risk governance model. Business managers are accountable for ensuring that risks associated with the business processes within their areas of responsibility are identified and that appropriate controls are implemented and maintained to mitigate the threat of adverse outcomes to within acceptable tolerances.

A combined Legal, Risk and Compliance department, independent of line management, provides oversight and challenge to the effective management of risk. It monitors and reports on residual risk exposures, reporting to the Risk and Compliance Committee and the UK Group company boards. It also ensures that appropriate risk management policies and processes are in place, with reference to parent Group policies where necessary.

The ultimate parent company maintains a central Internal Audit function which undertakes independent reviews of the UK Group's activities, reporting its findings to the UK company boards and the Audit Committee as well as to the parent Group.

**a) Credit Risk**

None of the UK Group companies issues credit. Counterparties are formally reviewed by the Legal, Risk and Compliance department to assess their credit worthiness prior to trading and specific counterparty limits are set. Positions are monitored against these limits daily.

All of the UK Group companies are exposed to debtor default risk regarding the potential non-payment of fees due or to default by a bank with which cash balances are held.

As at 31 December 2019, the maximum exposure to credit was £2,543,000 (2018: £1,373,000) in relation to the UK Group and £2,648,000 (2018: £2,465,000) in relation to the Company, none of which was deemed to be impaired or doubtful (2018: £nil).

**b) Market Risk**

Each of the UK Group companies is subject to foreign exchange risk where revenues are earned, or cash balances are held, in non-Sterling currencies.

A sensitivity analysis has been carried out at year end using estimated adverse movements in forecast foreign currency revenues for the following year. The foreign currency risk is considered to be immaterial from a capital management perspective.

NOTES TO THE FINANCIAL STATEMENTS  
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25. Risk management (continued)

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset. This risk is most likely to occur as a result of cash-flow mis-matches between receipt of fee revenues and creditor payments due. Cash flows for each company are forecast and monitored on an ongoing basis.

The overall liquidity adequacy needs of each company are considered, together with its regulatory capital requirements, by the Risk and Compliance Committee and the Company board.

This table shows the liquidity analysis of financial liabilities analysed based on their contractual maturity date. The figures are shown on an undiscounted basis, there is no significant difference between the contractual amounts of financial liabilities and their carrying amount.

	Less than 3 months £000	Between 3 & 12 months £000	More than 12 months £000	Carrying amount £000
<b>2019</b>				
List of financial liabilities:				
- Trade creditors	117	-	-	117
- Short term loan - intragroup	-	6,344	-	6,344
- Other creditors	542	-	-	542
	<u>659</u>	<u>6,344</u>	<u>-</u>	<u>7,003</u>
	Less than 3 months £000	Between 3 & 12 months £000	More than 12 months £000	Carrying amount £000
<b>2018</b>				
List of financial liabilities:				
- Trade creditors	918	-	-	918
- Short term loan - intragroup	-	7,467	-	7,467
- Other creditors	511	-	-	511
	<u>1,429</u>	<u>7,467</u>	<u>-</u>	<u>8,896</u>

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**25. Risk management (continued)**

**Fair value methodology**

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Valuation derived from unadjusted quoted market prices in an active market for an identical instrument.

Level 2: Valuation where quoted market prices are not available or where the instrument is traded in a market that is not considered to be active or valuation techniques are used to determine fair value and where these techniques use inputs that are based significantly on observable market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

**Capital management**

Capital is defined as the total of share capital, share premium, retained earnings and other reserves. Total capital at 31 December 2019 was £8,291,000 (2018: £7,385,000).

The UK Group's Internal Capital Adequacy Assessment Process (ICAAP) is the mechanism by which management and the boards of the UK Group companies oversee and regularly assess:

- the risk exposures of the UK Group companies, including those risks which may arise based on a forward-looking assessment of the companies' business plans;
- the results of scenario analysis of these risks to determine the potential impacts of "severe but plausible" scenarios;
- potential scenarios and their impacts for the orderly wind down of the UK Group companies; and
- the amounts and types of current and future capital and liquidity resources and whether they are assessed as adequate to cover the risk exposures and wind down scenarios considered.

The UK Group's ICAAP is reviewed and approved by the Board of the Company on an annual basis. The assessments included in the ICAAP are considered more frequently by the Risk and Compliance Committee to ensure capital and liquidity adequacy assessments continue to reflect any material developments in the UK Group's financial position and risk exposures.

The ICAAP methodology is based on the quarterly risk assessments for each of the UK Group companies and uses scenario analysis, involving input from business area experts and challenge by the risk management function, to derive the capital requirements associated with severe but plausible scenario outcomes. Each of the key risk types affecting the UK Group are considered.

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**EDMOND DE ROTHSCHILD (UK) LIMITED**

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**26. Related party transactions**

The company and its UK subsidiaries are wholly owned subsidiaries of Edmond de Rothschild (Suisse) S.A., and as such has taken advantage of the exemption permitted by section 33.1 of FRS102 'Related Party Disclosures', not to provide disclosure of transactions entered into with other wholly owned members of the group.

During the current and prior year the Group had transactions with Edmond de Rothschild Holding S.A., Gitana France and ACH Investment Advisors SA which aren't wholly owned members of the group.

During the current year the Group had transactions with Cording Real Estate Group Limited.

Below are the transactions between the UK Group and the entities mentioned above:

	2019 £000	2018 £000
<b>Total year end transaction between Edmond de Rothschild (UK) Limited and the above companies:</b>		
Edmond de Rothschild Holding S.A.	219	200
Gitana France	124	125
ACH Investment Advisors SA	916	662
Edmond De Rothschild REIM (UK) Limited	84	-
	<u>1,343</u>	<u>987</u>
	2019 £000	2018 £000
<b>Total year end balance between Edmond de Rothschild (UK) Limited and the above companies:</b>		
Edmond de Rothschild (UK) Limited	(4,135)	(3,570)
	<u>(4,135)</u>	<u>(3,570)</u>

Edmond de Rothschild Capital Holdings Limited provided services to ACH Investment Advisors SA (formerly ACH Management SA) up to the liquidation of ACH Investment Advisors SA in December 2018. Edmond de Rothschild (UK) Limited is the ultimate controlling party of Edmond de Rothschild Capital Holdings Limited and has a shareholding in ACH Investment Advisors SA and it is accordingly consolidated into the ultimate controlling party's financial statements.

**27. Contingent liabilities and registered charges**

The Company, in the ordinary course of business, has registered various charges over its assets. The directors do not expect any of these charges to crystallize. There are no other contingent liabilities known to the directors (2018: £nil).

**28. Capital commitments**

The Company is not committed to any capital payments over the next year in relation to the acquisition of fixed asset investments.

**NOTES TO THE FINANCIAL STATEMENTS  
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**29. Post balance sheet events**

On 11 February 2020 Edmond de Rothschild Client Nominees (UK) Limited was dissolved.

Since the year end we have seen the development of the coronavirus COVID-19 outbreak initially in China and now reaching most continents. At present, it is not possible to assess the detailed impact of this emerging risk but there is growing concern about the impact on the world economy. There has been significant correction in the financial markets in the last few weeks, the Company continues to watch the efforts of governments to contain the spread of the virus and monitor the economic impact.

At the date of this report, it is too early to accurately predict the financial and business impact on the Group and Company of the COVID-19 outbreak at this time.

**30. Controlling party**

The immediate parent undertaking is Edmond de Rothschild (Suisse) S.A.

The ultimate parent undertaking and controlling party is Edmond de Rothschild Holding S.A., a company incorporated in Switzerland.

Edmond de Rothschild Holding S.A. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2019. The consolidated financial statements of Edmond de Rothschild Holding S.A. can be obtained from Edmond de Rothschild Holding S.A., P.O. Box 5254, 1211 Genève 11, Switzerland.

Edmond de Rothschild (Suisse) S.A. is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2019. The consolidated financial statements of Edmond de Rothschild (Suisse) S.A. can be obtained from Edmond de Rothschild (Suisse) S.A., 18, rue de Hesse, 1204 Genève, Switzerland.