

The Rothschild Archive Limited

A charitable company limited by guarantee

Report and financial statements

For the year ended 31 March 2017



Charity registration number: 1075340
Company registration number: 3702208

The Rothschild Archive Limited

The Rothschild Archive Limited

Contents

Charity details	3
Report of the Directors	4
Independent auditors' report	9
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 21

The Rothschild Archive Limited

Charity details

DIRECTORS AND TRUSTEES:

Baron Eric de Rothschild (Chairman)
Julien de Beaumarchais
Professor Sir David Cannadine
Anthony Chapman
John Grimond
Nigel Higgins
Alice Rothschild
Baroness Ariane de Rothschild
Emma Rothschild
Lionel de Rothschild
David Todd

SECRETARY:

Melanie Aspey

REGISTERED OFFICE:

New Court
St Swithin's Lane
London
EC4N 8AL

INDEPENDENT AUDITORS:

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

INVESTMENT MANAGERS:

Rothschild Wealth Management (UK) Limited
New Court
St Swithin's Lane
London
EC4N 8AL

Report of the Directors

The Directors, who are also the trustees of The Rothschild Archive Limited ("the charity"), present their Directors' report and financial statements for the year ended 31 March 2017, which have been prepared in accordance with the accounting policies set out on pages 14-15 and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011, Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland. The information on page 3 forms part of this report.

Governing Documents

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association dated 27 January 1999.

Objects and Strategy

The charity's objects are to advance education for the public benefit by the acquisition, preservation and maintenance of the books, letters, manuscripts, other papers, chattels or artefacts which are or were previously in the ownership of the Rothschild family or the Rothschild family businesses for study by such scholars and other purposes as the charity considers appropriate. In particular, the charity will seek to encourage and develop increased access to these materials by the academic community and to make them more widely available by publication, exhibition and electronic distribution.

The Directors regularly review the charity's objects and activities to ensure they continue to reflect these aims. As part of these reviews, the Directors have considered the Charity Commission's general guidance on public benefit.

The charity has granted a licence in respect of the archive to N M Rothschild & Sons Limited. Under the licence, N M Rothschild & Sons Limited maintains and administers the archive at its sole expense in furtherance of the charity's objectives and under the overall direction of the Directors of the charity. In return, N M Rothschild & Sons Limited enjoys certain rights to exploit the archive for the purposes of its business.

Structure governance and management

The Directors (who are also the trustees for the purposes of charity law) of the charity who held office during the year, and to the date of this report, were as follows:

Baron, Eric de Rothschild (Chairman)
Julien de Beaumarchais
Professor Sir David Cannadine
Anthony Chapman
John Grimond
Nigel Higgins
Alice Rothschild
Baroness Ariane de Rothschild
Emma Rothschild
Lionel de Rothschild
David Todd

The number of Directors shall not be less than three and shall not exceed eleven. At all times a majority of the Directors shall be members of the Rothschild family. New Directors may be appointed by current Directors to fill a casual vacancy or as additional trustees. Such appointments shall be confirmed by the members by ordinary resolution. The board may appoint one of their number to be Chairman. The quorum for Directors' meetings is one third of the board of Directors and attendance may be by conference phone call. The Directors have established an investment sub-committee and an academic sub-committee. The Directors may delegate any of their powers to a committee consisting of one or more Directors. The board of Directors meets regularly as required.

The Directors have been supported throughout the year by the Secretary to the charity, and by the Archivist and staff of the Archive.

The Directors consider that the board of Directors, who are the charity's trustees, comprise the key management personnel of the charity in charge of directing, controlling and managing the charity on a day to day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes 5 and 13 to the accounts.

Achievements and performance

The Directors meet regularly to review the work carried out by the archivists in support of the educational objects of the Charity.

The Directors are keen to develop the Archive's collections to support a wide range of users. The staff of the Archive provides support to hundreds of researchers from numerous countries. Many of the enquiries are of a routine nature, but a considerable number require detailed research by the archivists before they can be answered. Researchers are able to visit the Archive's Reading Room in London, which is open five days a week, to carry out their own research. Additionally the Archive has in place a programme of work to update its website with increasingly detailed finding aids and digitised material to make the collection more accessible.

The Archive launched a new section on the website – the *Rothschild Collections* microsite – dedicated to the history of collections of art. The microsite includes short introductions to a range of Rothschild collecting passions and interests, from arms and armour to snuff boxes. It links to the *Estates* pages with information about the Rothschild houses, and to the interactive family tree, so that researchers can trace how collections may have passed through the family.

My Dear Cousins: writing the new century is another new microsite which develops the *Nathaniel 100* project begun in 2015 to transcribe the surviving business letters of Nathaniel, 1st Lord Rothschild and the partners sent to the French bank between 1906 and 1914.

New galleries of images have been added to the website showing the autochrome photographs taken by Lionel de Rothschild at the turn of the twentieth century and the testimonials presented to Nathaniel, 1st Lord Rothschild on his 70th birthday in 1910. Prospectuses for loans issued by the London house have been digitised together with examples of the bond certificates which are accompanied by text summaries on the site.

The archivists have added information about the collections to two major websites on archival resources. A catalogue description is available on the JISC Archives Hub, which directs researchers to the Archive's site. The Archives Hub brings together descriptions of thousands of the UK's archive collections, and represents 300 institutions across the UK. The Archive was the first to add data using their new online editing system. <https://archiveshub.jisc.ac.uk>

As part of the uploading of basic information about us on the Archives Hub, there is now a basic entry on the Archives Portal Europe. <http://www.archivesportaleurope.net/en/directory/-/dir/ai/code/GB-2058>

The archivists organised an event to celebrate the end of the *Nathaniel 100* project, to launch the microsite based on it and to thank the volunteers who worked with the material.

Historian David Kynaston, who made use of the letters in the 1990s during the research for the second volume of his history of the City of London, spoke to the volunteers about the historian's use of original source material. He gave a presentation in the form of a Q&A session in which he set the letters into a historical context and noted the gratitude owed to the volunteers by historians using their transcription of these letters. Philippa Glanville, OBE, a member of the Archive's Academic Advisory Committee, thanked the volunteers and presented them with certificates.

The participation of the archivists in conferences and workshops stimulates a wider appreciation of the strengths of the collections and leads to greater usage of material through visits to the Reading Room or via the Archive's website. During the year the Archive was represented at several events, including:

- Business History Conference in Portland, Oregon: the Secretary and three researchers who have used the collections extensively contributed a panel to the *Reinterpretation* conference entitled *The Rothschild House as a Window on Connecting Global Commodities and Finance* <http://thebhc.org/2016-program>

- International Council on Archives' Section on Business Archives conference in Atlanta, Georgia: the Secretary made a presentation on the conference theme of *Sustainability*
- European Association for Banking and Financial History's Summer School at the Bank of Spain, Madrid: the Archivist and Deputy Archivist gave a paper on transparency and information management in financial institutions, considered online access to archive collections.
- Sources for a History of Internationalism workshop in Vienna, Austria: the Secretary gave a paper at the workshop, which formed a part of the major research project, *Inventing the International* – the origins of globalisation directed by Professor Glenda Sluga, University of Sydney.

The paper contributed by the Archivist and Deputy Archivist to the International Council on Archives Section on Business Archives conference in Milan, Italy in June 2015 was published in the proceedings of the conference. The volume is entitled *Creating the Best Business Archive*. <http://www.hoepli.it/libro/creative-the-best-business-archive/9788820379872.html>

In October 2016 the Chairman of the Charity together with the Secretary visited the new Director of the Archives Nationales du Monde du Travail at Roubaix. They discussed the development of the catalogue of the Rothschild archives held on deposit there, the adoption of new cataloguing systems, and future joint events designed to promote research into the collections.

The Bursary established by the Charity on its creation was increased and extended to cover research visits to Roubaix as well as to London. A limited number of Bursaries, available for research projects which will involve substantial use of the collections, are available each year for international researchers engaged in full-time academic pursuits. Bursaries may now be granted up to a maximum of £3,000.

Regular activities to support colleagues in the Rothschild businesses working in the area of corporate social responsibility demonstrate the relevance of the Archive to a broad group of users. The staff of the Archive made presentations to colleagues about the history of philanthropy, and hosted visits by groups of school and college students to the Reading Room.

The Frankfurt Jewish Museum, based in a former Rothschild property in the city, is undergoing a major redevelopment of its galleries. The new permanent gallery will feature a history of the Jewish community in Frankfurt, with a focus on the Rothschild family. The Archive will make long-term loans to the Museum of a number of pieces from the collection for use in this gallery. During the year staff of both institutions have worked together to identify the most appropriate items for display.

Further information on the Archive's collections and activities can be found on the website: <https://www.rothschildarchive.org/>

Review of financial position and reserves policy

During the year, the Archive received income of £1,335,636 (2016: £1,215,847) of which £1,170,000 (2016: £1,128,000) related to donated services and, £23,281 (2016: £29,839) related to additions to the Archive. The income was applied to furthering the objects of the charity.

The net assets of the charity increased by £521,774 during the year to £19,748,852 (2016: £19,227,078), largely due to net revaluation gains on the charity's portfolio of investments. In 2016 there was a reduction in net assets of £73,291, largely due to net revaluation losses on the charity's portfolio of investments.

The unrestricted funds at 31 March 2017 will be retained to finance the charity's policy of charitable support. The restricted funds at 31 March 2017 will be retained to build a reserve against future need in relation to the long-term welfare of the collections in the Archive.

Investment policy

The Directors intend that the real value of the charity's funds be maintained and enhanced over the long term by investment in a suitable portfolio. The Directors have appointed Rothschild Wealth Management (UK) Limited as discretionary investment managers.

The principal objective of the investment strategy is capital preservation with a focus on safety, consistent with a tolerance for low risk of capital loss and low volatility of return.

Grant policy

A limited number of Rothschild Archive Bursaries are available for researchers in full time education who are pursuing research projects that will involve substantial use of The Rothschild Archive. The bursaries are designed to provide practical assistance with travel, accommodation or incidental costs associated with such work, rather than covering the full cost of research. The maximum sum usually granted to a successful applicant is £3,000. The Bursary and Education Committee reviews each application.

Guarantors

At 31 March 2017, there were eleven members of the charity, being the eleven trustees listed on page 3. The liability of each of the members of the charity in the event of a winding-up is limited by guarantee to £1.

Internal controls and the mitigation of major risks

The Directors have identified and reviewed the major risks of the charity which are the safeguarding of assets held and market risks relating to the holding of investments. Internal controls to mitigate these risks, including an annual review, have been established. The Directors confirm that the controls implemented are appropriate to the size of the charity and the nature of its operation.

Statement of Directors' responsibilities

The Directors (who are also the trustees for the purposes of charity law) are responsible for preparing the report of the Directors and the financial statements in accordance with applicable law and United Kingdom accounting standards.

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditor

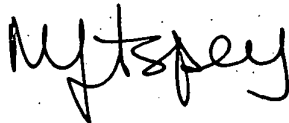
The Directors who were in office at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By Order of the Board



Melanie Aspey, Secretary

New Court, St Swithin's Lane, London EC4N 8AL

14 December 2017

Independent auditors' report to the members of The Rothschild Archive Limited

We have audited the financial statements of The Rothschild Archive Limited for the year ended 31 March 2017 set out on pages 11 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors (who are also the trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the charity's state of affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Independent auditors' report to the members of The Rothschild Archive Limited (continued)

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption in preparing the Report of the Directors and the Strategic Report.



Liz Hazell (Senior Statutory Auditor)

For and on behalf of

Saffery Champness LLP
Chartered Accountants

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 15 December 2017

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities (including income and expenditure account)

For the year ended 31 March 2017

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations	2(a)	-	1,272,022	23,281	1,295,303	1,179,814
Investments	2(b)	61	40,272	-	40,333	36,033
		61	1,312,294	23,281	1,335,636	1,215,847
Expenditure on:						
Raising funds	3	-	26,391	-	26,391	25,254
Charitable activities	4	12,489	1,170,000	-	1,182,489	1,140,949
		12,489	1,196,391	-	1,208,880	1,166,203
Net gains/(losses) on investments	7	-	395,018	-	395,018	(122,935)
Net income/(expenditure)		(12,428)	510,921	23,281	521,774	(73,291)
Reconciliation of funds:						
Total funds brought forward		121,758	3,661,178	15,444,142	19,227,078	19,300,369
Net movement in funds		(12,428)	510,921	23,281	521,774	(73,291)
Total funds carried forward	10	109,330	4,172,099	15,467,423	19,748,852	19,227,078

All income arises from continuing activities of the Charity. The Charity had no recognised gains or losses other than those dealt with in the statement of financial activities.

The notes on pages 14 to 21 form an integral part of these financial statements

Balance sheet

At 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Heritage assets	6	16,132,842	16,109,561
Investments	7	3,372,111	2,977,210
		19,504,953	19,086,771
Current assets			
Debtors	8	-	9,335
Cash and cash equivalents		267,299	154,972
		267,299	164,307
Current liabilities			
Creditors	9	23,400	24,000
Net current assets		243,899	140,307
Total assets less current liabilities		19,748,852	19,227,078
Funds of the charity			
Endowment	10	15,467,423	15,444,142
Restricted	10	4,172,099	3,661,178
Unrestricted	10	109,330	121,758
Total charity funds		19,748,852	19,227,078

The accounts on pages 11 to 21 were approved by the Board of Directors and were signed on its behalf by:



Anthony Chapman, Trustee
14 December 2017

The notes on pages 14 to 21 form an integral part of these financial statements

Statement of cash flows

For the year ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net income/(expenditure) for the year		521,774	(73,291)
Adjustments for:			
Donated assets	2a	(23,281)	(29,839)
Investment income	2b	(40,333)	(36,033)
Investment management fees	3	26,391	25,254
Net (gains)/losses on investments	7	(395,018)	122,935
Decrease in debtors	8	9,335	-
(Decrease)/increase in creditors	9	(600)	1,880
Net cash flows from operating activities		98,268	10,906
Cash flows from investing activities			
Dividends and interest from investments	2b	40,333	36,033
Investment management fees	3	(26,391)	(25,254)
Purchase of investments	7	(777,077)	(536,000)
Proceeds from sale of investments	7	909,081	481,041
Net movement in managed cash balance	7	(131,887)	58,511
Net cash flows from investing activities		14,059	14,331
Change in cash and cash equivalents in reporting period		112,327	25,237
Cash and cash equivalents brought forward		154,972	129,735
Cash and cash equivalents carried forward		267,299	154,972

The notes on pages 14 to 21 form an integral part of these financial statements

Charity registration number: 1075340
Company registration number: 3702208

The Rothschild Archive Limited

Notes to the financial statements

(forming part of the financial statements)

1. Summary of significant accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed asset investments, and applicable accounting standards in the United Kingdom. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard issued in July 2014 (Charities SORP (FRS 102)) and the Charities Act 2011.

The principal accounting policies set out below have been consistently applied in the presentation of the financial statements except where noted.

The Charity constitutes a public benefit entity as defined by Financial Reporting Standard 102 (FRS102).

At the time of preparing these accounts the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In preparing these accounts the Directors have considered whether in applying the accounting policies required by FRS102 and the Charities SORP (FRS102) a restatement of comparative items was required. No transition adjustments were required as a result of the change in accounting framework. The transition date for the charity was 1 April 2015.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Donated services and gifts in kind

Donated professional services and gifts in kind are recognised as income when the charity has entitlement, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Notes to the financial statements

(forming part of the financial statements)

Summary of significant accounting policies (continued)

Expenditure

Expenditure (including VAT) is recognised on an accruals basis as a liability is incurred. The charity is not able to reclaim VAT incurred on its expenditure.

Charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity. Grants are recognised in full in the statement of financial activities in the year in which the award is made.

Heritage assets

Heritage assets are recognised in the balance sheet at a valuation determined by the Directors. Professional valuations of the archive occur on a periodic basis and the Directors review the carrying value in the intervening periods. No depreciation has been provided as the assets are carried at valuation. Any gifts of archive assets are treated as heritage assets and included at valuation.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the market value. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

Fund accounting

The unrestricted funds comprise those monies which may be used towards meeting the charitable objects of the charity at the discretion of the Directors.

The restricted funds comprise those monies subject to donor imposed conditions.

The endowment fund comprises those inalienable heritage assets and funds that have been donated to the charity subject to the restriction that they must be held as capital and used towards meeting the charitable objects of the charity.

Liabilities

Liabilities are recognised when the entity has an obligation to transfer economic benefits as a result of past transactions or events.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Significant judgements

The Directors consider that the most significant judgement area in the application of the accounting policies is the valuation of heritage assets which is set out in note 6.

Notes to the financial statements

(forming part of the financial statements)

2. Income and endowments

a. Donations

	Unrestricted funds	Restricted funds	Endowment funds	Total 2017
	£	£	£	£
Income and endowments from:				
Monetary donations	-	102,022	-	102,022
Donated gifts and services	-	1,170,000	23,281	1,193,281
	-	1,272,022	23,281	1,295,303

	Unrestricted funds	Restricted funds	Endowment funds	Total 2016
	£	£	£	£
Income and endowments from:				
Monetary donations	-	21,975	-	21,975
Donated gifts and service	-	1,128,000	29,839	1,157,839
	-	1,149,975	29,839	1,179,814

The donated gifts and services were applied to the activities of the charity as follows:

	2017	2016
	£	£
Running costs of the charity at valuation	1,170,000	1,128,000
Heritage asset additions at valuation	23,281	29,839
	1,193,281	1,157,839

b. Investment income

	2017	2016
	£	£
Listed investments:		
UK fixed interest income	1,967	1,156
UK dividend income	13,244	5,268
Overseas equities	11,096	15,278
Unlisted investments:		
UK dividend income	13,965	13,965
	40,272	35,667
Bank interest	61	366
	40,333	36,033

3. Raising funds

	Unrestricted funds	Restricted funds	Endowment funds	Total 2017
	£	£	£	£
Investment management fees	-	26,391	-	26,391

	Unrestricted funds	Restricted funds	Endowment funds	Total 2016
	£	£	£	£
Investment management fees	-	25,254	-	25,254

Notes to the financial statements

(forming part of the financial statements)

4. Charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	Total 2017
	£	£	£	£
Bursaries awarded to individuals	2,000	-	-	2,000
Audit and accountancy	10,200	-	-	10,200
Other expenses	289	-	-	289
Donated services	-	1,170,000	-	1,170,000
	12,489	1,170,000	-	1,182,489

	Unrestricted funds	Restricted funds	Endowment funds	Total 2016
	£	£	£	£
Bursaries awarded to individuals	-	-	-	-
Scientists project costs	-	2,040	-	2,040
Audit and accountancy	10,909	-	-	10,909
Donated services	-	1,128,000	-	1,128,000
	10,909	1,130,040	-	1,140,949

Donated services include an estimate of the value of services, offices, archive storage and staff time received.

Amounts payable to the auditor were as follows:

	Unrestricted funds	Restricted funds	Endowment funds	Total 2017	Total 2016
	£	£	£	£	£
Audit fee (including VAT)	7,200	-	-	7,200	7,200
Audit fee – under provision in prior year	2,400	-	-	2,400	-
Other services	600	-	-	600	1,800
	10,200	-	-	10,200	9,000

5. Staff costs and directors remuneration

No staff are employed by the charity and day to day operations are carried out by employees of N M Rothschild & Sons Limited. The costs of those employees, who are not considered to be key management personnel, are included as donated income and in the donated services expense in the statement of financial activities.

No emoluments or expenses were paid to the Directors during the year in respect of their services to the charity (2016: £nil).

Notes to the financial statements

(forming part of the financial statements)

6. Heritage assets

	2017	2016
Cost/valuation	£	£
At 1 April	16,109,561	16,079,722
Additions during the year	23,281	29,839
At 31 March	16,132,842	16,109,561

The charity holds an archive of books, letters, manuscripts, other papers, chattels and artefacts which are or were previously in the ownership of the Rothschild family or Rothschild family businesses (the "Archive"). The Archive consists of approximately 2 million items and occupies 2,650 linear metres of shelving. A professional valuation of the Archive was performed by Sotheby's, London in February 2007 and the high auction estimate has been used as the carrying value. A professional valuation of additional archives which are held in France was performed by Christie's London in December 2004. All subsequent additions are included at cost or, in the case of items donated, at valuation. The Directors are of the opinion that the carrying value of the Archive as at 31 March 2017 is a valid approximation of fair value.

Gold bars with a book value of £275,472 are also included in heritage assets. These gold bars are representative of those produced at the Royal Mint Refinery, a business operated by N M Rothschild & Sons Limited from 1852 to 1968. At 31 March 2017, the market value of the gold in these bars was £1,269,816 (2016: £1,016,233).

The charity seeks to encourage and develop increased access to the Archives by the academic community and to make them more widely available by publication, exhibition and electronic distribution. The charity rarely disposes of any of these assets. A detailed register of the assets held by the Archive is kept by the Charity.

The Archive is open to bona fide researchers by appointment only Monday to Friday (excluding public holidays). Archive material dated post 1945 is generally not available to researchers.

Five year financial summary of transactions relating to heritage assets:

	2017	2016	2015	2014	2013
	£	£	£	£	£
Purchase at cost or valuation	-	-	-	4,080	-
Donations at valuation	23,281	29,839	9,407	98,475	58,469
Total additions	23,281	29,839	9,407	102,555	58,469

There have been no disposals of heritage assets in any of the last five accounting periods and no impairment has been considered necessary.

Notes to the financial statements

(forming part of the financial statements)

7. Investments

	2017	2016
	£	£
At 1 April	2,977,210	3,103,697
Additions at cost or valuation	777,077	536,000
Sale proceeds from disposals	(909,081)	(481,041)
Realised and unrealised (losses)/gains	395,018	(122,935)
Net cash movements	131,887	(58,511)
At 31 March	3,372,111	2,977,210

Investments comprise:

	2017	2016
	£	£
Listed investments – held at market value:		
UK fixed interest securities	515,429	502,256
UK equities and equity funds	466,820	419,439
Overseas equities and equity funds	1,596,397	1,405,741
Hedge funds	458,562	416,461
Money market	197,505	100,228
Other	4,398	85
Unlisted investments – held at cost:		
UK equities	133,000	133,000
	3,372,111	2,977,210
Historical cost	2,752,800	2,614,306

8. Debtors

	2017	2016
	£	£
Other debtors	-	9,335
	-	9,335

9. Creditors

	2017	2016
	£	£
Accruals	15,000	15,000
Other creditors	8,400	9,000
	23,400	24,000

Notes to the financial statements

(forming part of the financial statements)

10. Funds

	At 1 April 2016 £	Income £	Expenses £	Revaluation of investments £	At 31 March 2017 £
Unrestricted fund	121,758	61	(12,489)	-	109,330
Restricted funds:					
Scientists project	23,088	-	-	-	23,088
Archive	3,638,090	1,312,294	(1,196,391)	395,018	4,149,011
Endowment fund	15,444,142	23,281	-	-	15,467,423
	19,227,078	1,335,636	(1,208,880)	395,018	19,748,852

	At 1 April 2015 £	Income £	Expenses £	Revaluation of investments £	At 31 March 2016 £
Unrestricted fund	132,301	366	(10,909)	-	121,758
Restricted funds:					
Scientists project	25,128	-	(2,040)	-	23,088
Archive	3,728,637	1,185,642	(1,153,254)	(122,935)	3,638,090
Endowment fund	15,414,303	29,839	-	-	15,444,142
	19,300,369	1,215,847	(1,166,203)	(122,935)	19,227,078

There is an agreement in place whereby all income from various parts of the Rothschild business and family is treated as restricted and is to be utilised in maintaining the Archive in the event of the Rothschild business withdrawing support.

11. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Heritage assets	-	665,419	15,467,423	16,132,842
Investments	-	3,372,111	-	3,372,111
Current assets	117,730	149,569	-	267,299
Current liabilities	(8,400)	(15,000)	-	(23,400)
At 31 March 2017	109,330	4,172,099	15,467,423	19,748,852

	£	£	£	£
Heritage assets	-	665,419	15,444,142	16,109,561
Investments	-	2,977,210	-	2,977,210
Current assets	130,758	33,549	-	164,307
Current liabilities	(9,000)	(15,000)	-	(24,000)
At 31 March 2016	121,758	3,661,178	15,444,142	19,227,078

12. Liability of members

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability of the members is limited to £1 each.

Notes to the financial statements

(forming part of the financial statements)

13. Transactions with related parties

Related parties are defined in the Statement of Recommended Practice applicable to charities and include trustees, families of trustees and entities with which trustees have a significant interest in or significant influence over. The tables below exclude donations from related parties.

Amounts receivable from related parties are as follows:

		2017 £	2016 £
NM Rothschild & Sons Limited	Cash and cash equivalents	-	154,972
Rothschild Wealth Management (UK) Limited	Cash and cash equivalents	267,299	-
NM Rothschild & Sons Limited	Debtor	-	9,335
Rothschilds Continuation Limited	Investment	133,000	133,000

Amounts recognised in the statement of financial activities were as follows:

		2017 £	2016 £
NM Rothschild & Sons Limited	Interest received	61	366
Rothschilds Continuation Limited	Dividend income	13,965	13,965
Rothschild Wealth Management (UK) Limited	Investment management fees paid	(26,179)	(25,254)
NM Rothschild & Sons Limited	Donated services	1,170,000	1,128,000

14. Statement of financial activities for the year ended 31 March 2016

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2016 £
Income and endowments from:					
Donations	2(a)	-	1,149,975	29,839	1,179,814
Investments	2(b)	366	35,667	-	36,033
		366	1,185,642	29,839	1,215,847
Expenditure on:					
Raising funds	3	-	25,254	-	25,254
Charitable activities	4	10,909	1,130,040	-	1,140,949
		10,909	1,155,294	-	1,166,203
Net (losses) on investments	7	-	(122,935)	-	(122,935)
Net movement on funds		(10,543)	(92,587)	29,839	(73,291)
Total funds brought forward		132,301	3,753,765	15,414,303	19,300,369
Total funds carried forward	10	121,758	3,661,178	15,444,142	19,227,078