



Rothschild & Co Australia Holdings Limited

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

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Strategic Report

Principal Activities

During the year ended 31 December 2019 Rothschild Australia Holdings Limited (the Company) continued to be an investment holding company.

Review of the Company's Business

The results for the year are set out in the statement of comprehensive income on page 8. The results of the Company show a profit before tax of £2,683,987 (2018: £nil). The reserves available for distribution at 31 December 2019 were £2,979,190 (2018: £295,203).

The Directors consider the Company to be a going concern.

Principal Risks and Uncertainties

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

The financial risk management objectives and policies of the Company, together with an analysis of the exposure to such risks, as required under Part 1 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, are set out in Note 1 on the financial statements.

The Company's exposures to credit, liquidity and market risks are limited due to the nature of its business, which is predominantly a holding company.

One of the key uncertainties to which the Company is exposed are the macroeconomic conditions in the markets in which it and its subsidiaries operate. Since the start of January 2020, COVID-19 has created significant disruption to the global markets and economies. Management has concluded that the impact of COVID-19 is a non-adjusting post balance sheet event in respect of the financial statements for the year ended 31 December 2019. Management has performed an assessment to determine whether there are any material uncertainties arising due to the pandemic that could cast significant doubt on the ability of the Company to continue as a going concern. Of particular concern currently, is the potential impact on the Company's investment in its subsidiaries of a significant dislocation in the financial markets due to Coronavirus (COVID-19). No significant issues have been noted. The Company has sufficient liquidity to continue to operate for the next 12 months even in the scenario where revenue is significantly reduced. Management has considered the going concern basis of preparation as outlined in note 1 to the financial statements.

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

By Order of the Board

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

4 August 2020
Registered number: 06858903

Rothschild & Co Australia Holdings Limited

Rothschild & Co



Report of the Directors

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

Dividends

The Company received £2,683,987 in dividends during the year (2018: £nil). The Company did not pay any dividends during the year (2018: £nil).

Directors

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

Peter Barbour

Anthony Coghlan – resigned 26 March 2020

John King

Directors' Indemnity

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

Auditor

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

Audit Information

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.



Report of the Directors

Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

By Order of the Board

Helen Horton for
N. M. Rothschild & Sons Limited
Secretary
New Court, St. Swithin's Lane, London EC4N 8AL
4 August 2020

Registered number: 06858903

Rothschild & Co Australia Holdings Limited

 **Rothschild & Co**



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

Opinion

We have audited the financial statements of Rothschild & Co Australia Holdings Limited ("the company") for the year ended 31 December 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

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

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



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

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



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

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

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

Pamela McIntyre (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

6 August 2020



Statement of Comprehensive Income

For the year ended 31 December 2019

	Note	2019 £	2018 £
Dividend income from subsidiary undertaking		2,683,987	-
Profit before tax		2,683,987	-
Taxation		-	-
Profit for the financial year		2,683,987	-
Other comprehensive income		-	-
Total comprehensive income for the financial year		2,683,987	-

All amounts are in respect of continuing activities

Statement of Financial Position

At 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Non-current assets					
Investments in subsidiaries	4		10,000,000		10,000,000
Current assets					
Cash and cash equivalents	5	3,579,190		895,203	
Net current assets			3,579,190		895,203
Total assets less current liabilities			13,579,190		10,895,203
Shareholders' equity					
Share capital	6		10,600,000		10,600,000
Retained earnings			2,979,190		295,203
Total shareholders' equity			13,579,190		10,895,203

Approved by the Board of Directors on 4 August 2020 and signed on its behalf by:

Peter Barbour
Director

The notes on pages 10 to 14 form an integral part of these financial statements

Registered number: 06858903

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Statement of Changes in Equity

For the year ended 31 December 2019

	Share Capital £	Retained Earnings £	Total Equity £
At 1 January 2019	10,600,000	295,203	10,895,203
Total comprehensive income for the financial year	-	2,683,987	2,683,987
At 31 December 2019	10,600,000	2,979,190	13,579,190
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At 1 January 2018	10,600,000	295,203	10,895,203
At 31 December 2018	10,600,000	295,203	10,895,203

Statement of Cash Flows

For the year ended 31 December 2019

	Notes	2019 £	2018 £
Cash flow from operating activities			
Dividend income from subsidiary undertaking		2,683,987	-
Net cash flow from operating activities		2,683,987	-
Net increase in cash and cash equivalents		2,683,987	-
Cash and cash equivalents at beginning of year		895,203	895,203
Cash and cash equivalents at end of year	6	£3,579,190	895,203

The notes on pages 10 to 14 form an integral part of these financial statements

Registered number: 06858903

Rothschild & Co

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Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies

Rothschild & Co Australia Holdings Limited ("the Company") is a private company limited by shares and incorporated in England and Wales. The principal accounting policies which have been consistently adopted in the presentation of the financial statements are as follows:

a. Basis of preparation

The financial statements are prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations, endorsed by the European Union (EU) and with those requirements of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements are prepared under the historical cost accounting rules and presented in sterling, unless otherwise stated.

These financial statements have been prepared on a going concern basis.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Going Concern

Due to COVID-19, management has performed an assessment to determine whether there are any material uncertainties arising due to the pandemic that could cast significant doubt on the ability of the Company to continue as a going concern. No significant issues have been noted. In reaching this conclusion, management considered:

- The financial impact of the uncertainty on the Company's balance sheet;
- Stress tests on reasonably plausible scenarios such as no revenue from dividend income from investments in subsidiary and associated undertakings;
- Liquidity position based on current and projected cash resources. The Company's current liquidity is able to sustain its operations for at least a year even with a significantly reduced revenue scenario; and
- The operational resilience with respect to the impact of the pandemic on existing IT systems and infrastructure.

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

Standards affecting the financial statements

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



Notes to the Financial Statements

(forming part of the Financial Statements)

Future accounting developments

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 December 2019 and therefore have not been applied in preparing these financial statements. The Company has reviewed these new standards to determine their effects on the Company's financial reporting. None of these are expected to have a significant effect on the Company's financial statements.

b. Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less provisions to take account, where appropriate, of impairment in their value.

c. Income from investments in subsidiary undertakings

Dividend income from investments is included in the financial statements when the right to receive payment is established.

d. Cash and cash equivalents

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

e. Capital management

The Company is not subject to any externally imposed capital requirements. The Company follows the capital management policies of a parent undertaking N. M. Rothschild & Sons Limited and the capital of the Company is managed at the group level.

f. Financial risk management

The Company follows the financial risk management policies of a parent undertaking, N. M. Rothschild & Sons Limited. The key risks arising from the Company's activities involving financial instruments, which are monitored at the group level as follows:

- Credit risk – the the risk of loss arising from client or counterparty default is not considered a significant risk to the Company as all asset balances are with other group companies as detailed in note 7 Related Party Transactions.
- Market risk – the exposure to changes in market variables such as interest rates, currency exchange rates, equity and debt prices is not considered significant.
- Liquidity risk – the risk that the Company is unable to meet its obligations as they fall due or that it is unable to fund its commitments is not considered significant as at the balance sheet date the Company held sufficient cash to fund all future obligations.

2. Audit Fee

The amount receivable by the auditors and their associates in respect of the audit of these financial statements is £3,620 (2018: £3,511). The audit fee is paid on a group basis by N. M. Rothschild & Sons Limited.



Notes to the Financial Statements

(forming part of the Financial Statements)

3. Directors' Emoluments

No Director received any remuneration from the Company during the year (2018: £nil).

4. Non-Current Assets: Investments in Subsidiary Undertakings

	2019	2018
	£	£
Cost at beginning of year	10,000,000	10,000,000
Cost at end of year	10,000,000	10,000,000

The subsidiary undertakings of the Company are detailed below.

Subsidiary undertakings:	Percentage of shares held	
	2019	2018
Rothschild & Co Australia Limited (incorporated in Australia with registered office at Level 34, 88 Phillip Street, Sydney, NSW 2000)	100	100

5. Cash and Cash Equivalents

At the year end the Company held cash of £3,579,190 (2018: £895,203) at a fellow subsidiary undertaking. The balance is non-interest bearing.

6. Share Capital

	2019	2018
Authorised		
Ordinary shares of £1 each	20,000,000	20,000,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	10,600,000	10,600,000



Notes to the Financial Statements

(forming part of the Financial Statements)

7. Related Party Transactions

Parties are considered related if one party controls, is controlled by or has the ability to exercise significant influence over the other party. This includes key management personnel, the parent company, subsidiaries and fellow subsidiaries.

Amounts recognised in the balance sheet in respect of related party transactions were as follows:

	2019	2018
	£	£
Investment in subsidiaries	10,000,000	10,000,000
Cash at fellow subsidiary undertaking	3,579,190	895,203

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

	2019	2018
	£	£
Dividend income from subsidiary undertaking	2,683,987	-

There were no loans made to Directors during the year (2018: none) and no balances outstanding at the year-end (2018: £nil). The Directors did not receive any remuneration in respect of their services to the Company. There were no employees of the Company during the year (2018: none).

8. Parent Undertaking and Ultimate Holding Company

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

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



Notes to the Financial Statements

(forming part of the Financial Statements)

9. Post Balance Sheet Event

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

Management has reviewed the Company's investments in its subsidiaries for potential indicators of impairment, considering the estimated impacts of market conditions on the entity and concluded that no trigger for impairment testing exists as at the date of the approval of the financial statements.