

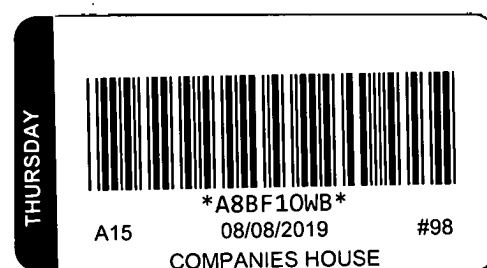


Shield Trust Limited

Report of the Directors and Financial Statements

For the year ended 31 December 2018

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Strategic Report

Principal Activities

During the year ended 31 December 2018 Shield Trust 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 £8,907,000. (9 months to 31 December 2017: £6,263,084). The reserves available for distribution at 31 December 2018 were £25,776,506.

The Directors consider the Company to be a going concern.

In 2017, the Company changed its financial year end from 31 March to 31 December. This set of financial statements is the first full year since this change and consequently, the comparative figures for the Company's income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes are for the 9 months from 1 April 2017 to 31 December 2017.

Principal Risks and Uncertainties

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 2 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.

By Order of the Board

Anthony Coghlan, Director

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

16 July 2019



Report of the Directors

The Directors present their Directors' report and the financial statements for the year ended 31 December 2018.

Dividends

The Company did not pay a dividend during the year (9 months to 31 December 2017: £8,000,000). Since the year end, the Company has paid a dividend of £15,000,000.

Directors

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

Peter Barbour

Anthony Coghlan

Jonathan Westcott

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 auditor 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.

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 (IFRS as adopted by the EU) and applicable law.



Report of the Directors

Directors' Responsibilities Statement (cont.)

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRS as adopted by the EU;
- assess the 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
Company Secretary
New Court, St. Swithin's Lane, London EC4N 8AL
16 July 2019

Independent Auditor's Report to the Members of Shield Trust Limited

Opinion

We have audited the financial statements of Shield Trust Limited ("the Company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, 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 2018 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the Directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Company and this is particularly the case in relation to Brexit.

Independent Auditor's Report to the Members of Shield Trust Limited

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, including the impact of Brexit, 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.

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.

Independent Auditor's Report to the Members of Shield Trust Limited

Directors' responsibilities

As explained more fully in their statement set out on page 3 and 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.

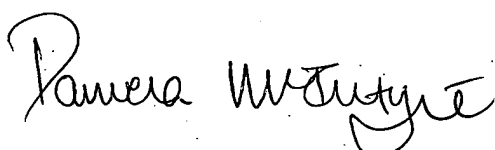
Auditor's responsibilities

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

19 July 2019



Statement of Comprehensive Income

For the year ended 31 December 2018

		Year to 31 December 2018 £	9 months to 31 December 2017 £
	Note		
Dividend income from subsidiary undertakings		8,871,540	6,263,084
Foreign exchange translation gains		35,460	-
Profit before tax		8,907,000	6,263,084
Income tax charge	5	(6,737)	(539)
Profit for the financial year		8,900,263	6,262,545
Other comprehensive income		-	-
Total comprehensive income for the financial year		8,900,263	6,262,545

All amounts are in respect of continuing activities.

The notes on pages 12 to 17 form an integral part of these financial statements



Balance Sheet

At 31 December 2018

	Note	31 December		31 December	
		2018	2018	2017	2017
		£	£	£	£
Non-current assets					
Shares in subsidiary undertakings	6		16,129,201		16,129,201
Current assets					
Cash and cash equivalents	7	15,352,977		6,445,977	
		15,352,977		6,445,977	
Current tax liabilities			(6,737)		-
Net current assets			15,346,240		6,445,977
Total assets less current liabilities			31,475,441		22,575,178
Shareholders' equity					
Share capital	8		57,277		57,277
Share premium account			5,641,658		5,641,658
Retained earnings			25,776,506		16,876,243
Total shareholders' equity			31,475,441		22,575,178

Approved by the Board of Directors on 16 July 2019 and signed on its behalf by:

Anthony Coghlan, Director

The notes on pages 12 to 17 form an integral part of these financial statements



Statement of Changes in Equity

For the year ended 31 December 2018

	Share Capital £	Share premium £	Retained Earnings £	Total Equity £
At 1 January 2018	57,277	5,641,658	16,876,243	22,575,178
Total comprehensive income for the year	-	-	8,900,263	8,900,263
At 31 December 2018	57,277	5,641,658	25,776,506	31,475,441
At 1 April 2017	57,277	5,641,658	18,613,698	24,312,633
Total comprehensive income for the period	-	-	6,262,545	6,262,545
Shareholders' dividends	-	-	(8,000,000)	(8,000,000)
At 31 December 2017	57,277	5,641,658	16,876,243	22,575,178

The notes on pages 12 to 17 form an integral part of these financial statements



Cash Flow Statement

For the year ended 31 December 2018

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Note		
Cash flow from operating activities		
Net profit for the financial year	8,900,263	6,262,545
Dividends from subsidiary undertakings	(8,871,540)	(6,263,084)
Income tax charge	6,737	539
Operating (loss)/profit before changes in working capital and provisions	35,460	-
Cash generated (used in)/from operations	35,460	-
Taxation received	-	22,124
Net cash flow from operating activities	35,460	22,124
Cash flow from investing activities		
Disposal of investment in available for sale investments	-	9,568
Dividends from subsidiary undertakings	8,871,540	6,263,084
Net cash flow from investing activities	8,871,540	6,272,652
Cash flow used in financing activities		
Dividends paid	-	(8,000,000)
Net cash flow used in financing activities	-	(8,000,000)
Net increase/(decrease) in cash and cash equivalents	8,907,000	(1,705,225)
Cash and cash equivalents at beginning of year	6,445,977	8,151,202
Cash and cash equivalents at end of year	7 15,352,977	6,445,977

The notes on pages 12 to 17 form an integral part of these financial statements



Notes to the Financial Statements

(forming part of the Financial Statements)

For the year ended 31 December 2018

1. Accounting Policies

Shield Trust 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 its sterling, unless otherwise stated, and prepared under the historical cost accounting convention.

The financial statements have been prepared on a going concern basis and are presented in sterling, unless otherwise stated.

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.

Standards affecting the financial statements

IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers were implemented with effect from 1 January 2018. Neither of these standards has had a significant effect on these financial statements.

Future accounting developments

A number of new standards, amendments to standards and interpretations are effective for accounting years ending after 31 December 2018 and therefore have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

b. Shares in subsidiary undertakings

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

c. Dividend income

Dividends receivable are recognised in the income statement when the Company's 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.



Notes to the Financial Statements

(forming part of the Financial Statements)

1. Accounting Policies (continued)

e. Foreign currencies

Transactions in foreign currencies are accounted for at the exchange rates prevailing at the time of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary items that are denominated in foreign currencies are recognised in the income statement.

f. Taxation

Tax payable on profits and tax credits on losses are recognised in the income statement, except to the extent that it relates to items that are recognised in other comprehensive income or directly in equity,

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is determined using tax rates and laws that are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

g. Capital management

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.

2. Financial Risk Management

The Company's only financial asset is cash held at a parent undertaking, which is non-interest bearing and the Company has sufficient cash to cover all expected liabilities.

3. Audit Fee

The amount receivable by the auditors and their associates in respect of the audit of these financial statements is £3,511 (9 months to 31 December 2017: £3,511). The audit fee is paid on a group basis by N M Rothschild & Sons Limited.

4. Directors' Emoluments

None of the Directors received any remuneration in respect of their services to the Company during the year (9 months to 31 December 2017: £nil).



Notes to the Financial Statements

(forming part of the Financial Statements)

5. Income Tax

Tax credited to the income statement:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Total tax charged to the income statement	6,737	539

The tax (credit)/charge for the year may be explained as follows:

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Profit before tax	8,907,000	6,263,084
Tax charge at UK standard corporation tax rate of 19%	1,692,330	1,189,986
Income not subject to tax	(1,685,593)	(1,189,986)
Prior year adjustment	-	539
Total tax charged to the income statement	6,737	539

6. Shares in Subsidiary Undertakings

	31 December 2018 £	31 December 2017 £
Cost at beginning of year	16,129,201	16,129,201
Cost at end of year	16,129,201	16,129,201



Notes to the Financial Statements

(forming part of the Financial Statements)

6. Shares in Subsidiary Undertakings (cont.)

The subsidiary undertakings of the Company are detailed below.

	Percentage held
Shield MBCA Limited (incorporated in England and Wales and have their registered offices at New Court, St Swithin's Lane, London EC4N 8AL)	100
Rothschild & Co Australia Holdings Limited (formerly Rothschild Australia Holdings Limited) which owns the following subsidiaries:	100
Rothschild & Co Australia Limited (formerly Rothschild Australia Limited) (incorporated in Australia with registered office at Level 34, 88 Phillip Street, Sydney, NSW 2000)	100
Rothschild & Co Proprietary Limited (incorporated in Australia with registered office at Level 34, 88 Phillip Street, Sydney, NSW 2000) (deregistered 6 January 2019)	100
Rothschild & Co Europe BV (formerly Rothschild Europe BV) (incorporated in the Netherlands with registered office at Ankersmidplein 2, 1506 CK Zaandam) which owns the following subsidiaries:	50.01
Rothschild & Co Deutschland GmbH (formerly Rothschild GmbH) (incorporated in Germany with registered office at Börsenstrasse 2-4, 60313 Frankfurt)	100
Rothschild & Co Italia SpA (formerly Rothschild SpA) (incorporated in Italy with registered office at Via Santa Radegonda 8, 20123 - Milan)	90.45
Rothschild & Co S.R.L. (incorporated in Italy with registered office at Via Santa Radegonda 8, 20123 - Milan)	90.45
RothschildCo España S.A (formerly Rothschild S.A.) (incorporated in Spain with registered office at Paseo de la Castellana 35, 3 planta, 28046 Madrid)	98
Rothschild & Co Portugal Limitada (formerly Rothschild Portugal Limitada) (incorporated in Portugal with registered office at Calçada Marquês de Abrantes, 40 - 1 Esq., 1200 - 719 Lisboa)	99.89
Rothschild & Co Kurumsal Finansman Hizmetleri Limited Sirketi (formerly Rothschild - Kurumsal Finansman Hizmetleri Limited Sirketi) (incorporated in Turkey with registered office at Akmerkez Rezidans Apart Oteli No. 14D2, Akmerkez IS Mekezi Yani, Nispetiye Caddesi, 34340 Etiler, Istanbul)	99
Rothschild & Co Polska Sp. z o.o. (formerly Rothschild Polska Sp. z o.o.) (incorporated in Poland with registered office at Rzymowskiego 34, 02-697 Warsaw)	100
Rothschild & Co CIS BV (formerly RCF (Russia) BV) (incorporated in The Netherlands with registered office at Ankersmidplein 2, 1506 CK Zaandam)	100
Rothschild & Co Middle East Limited (formerly Rothschild (Middle East) Limited) (incorporated in Dubai with registered office at Office 203, Level 2, Burj Daman, DIFC, PO Box 506570, Dubai)	100
Rothschild & Co Doha LLC (formerly Rothschild (Qatar) LLC) (incorporated in Qatar with registered office at PO Box 31316, Al Fardan Office Tower, West Bay 8th - 9th Floor, Doha)	100
Rothschild & Co Israel BV (formerly RCF (Israel) BV) (incorporated in The Netherlands with registered office at Ankersmidplein 2, 1506 CK Zaandam)	100
Rothschild & Co Nordic AB (formerly Rothschild Nordic AB) (incorporated in Sweden with registered office at Strandvägen 7 A, 114 56 Stockholm)	100



Notes to the Financial Statements

(forming part of the Financial Statements)

7. Cash and Cash Equivalents

At the year end the Company held cash of £15,352,977 (at 31 December 2017: £6,445,977) at the parent undertaking which is non-interest bearing.

8. Share Capital

	31 December 2018	31 December 2017
Authorised Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid Ordinary shares of £1 each	57,277	57,277

9. Related Party Transactions

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

Amounts recognised in the balance sheet from related parties at the year-end were as follows:

	31 December 2018 £	31 December 2017 £
Investment in subsidiaries	16,129,201	16,129,201
Cash at parent undertaking	15,352,977	6,445,977

There were no loans made to Directors during the year (9 months to 31 December 2017: none) and no balances outstanding at the year-end (at 31 December 2017: £nil). The Directors did not receive any remuneration in respect of their services to the Company. There were no employees of the Company during the year (9 months to 31 December 2017: none).

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

	Year to 31 December 2018 £	9 months to 31 December 2017 £
Dividend income from subsidiary undertakings	8,871,540	6,263,084



Notes to the Financial Statements

(forming part of the Financial Statements)

10. 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 N M Rothschild & Sons Limited, incorporated in England and Wales and whose registered office is at New Court, St Swithin's Lane, London EC4N 8AL.

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