

Annual Report & Financial Statements

Edmond de Rothschild Capital Holdings Limited

31 December 2014



EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2014

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EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors	Mr. R. H. Briance (resigned on 1 April 2015) Mr. R. M. Sopher Mr. P. J. R. Maddison (resigned on 30 April 2014) Mr. D. van Duijn
Registered Office	4 Carlton Gardens London England SW1Y 5AA
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HB Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
Regulator	Financial Conduct Authority FCA Firm Code: 144038

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their strategic report of Edmond de Rothschild Capital Holdings Limited, Company Number 1831406, ("the Company") for the year ended 31 December 2014.

1. BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company advises several multi-manager investment funds. The results for the Company are set out in the profit and loss account on page 8. The turnover increased by 45.7% to £15,281,005 (2013: £10,488,033) and the profit for the financial year, after taxation, increased by 69.5% to £6,603,926 (2013: £3,896,625). The financial position of the company is set out on page 9 which shows that Shareholders' funds increased by 50.4% to £8,066,423 (2013: £5,362,497).

The Company is a wholly-owned subsidiary of EDRRIT Limited, a company incorporated in the UK, which itself is owned by companies in the Edmond de Rothschild Group (see note 15) (51%) and RIT Capital Partners plc (49%).

Management consider that the financial operations of the Company during the year have been undertaken in accordance with the agreed plan and consider the financial position of the Company as at the balance sheet date to be satisfactory.

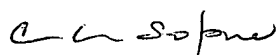
2. BUSINESS ENVIRONMENT AND STRATEGY

The Company has operated in a benign business environment during the year, reflecting the current prevailing investment conditions. The business has reported robust results, reflecting the underlying performance of the investment funds that it advises. The Company will continue to develop its strategy of seeking out opportunities to offer its expertise in the monitoring and selection of investment managers and other investment advisory opportunities.

3. PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks of the Company are its dependence on a small number of clients, each of which is therefore significant, and its exposure to earnings in several currencies. Risks are formally reviewed by the Board and appropriate processes put in place to monitor and mitigate them. The Company does not use any complex financial derivatives to manage risks. The directors have undertaken a review of the Company's business model, capital and liquidity and are satisfied that it is robust and sustainable, and the Company has sufficient financial resources to pursue its activities for the foreseeable future.

ON BEHALF OF THE BOARD



Mr. R. M. Sopher
Director

9 April 2015

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their annual report and the audited financial statements of Edmond de Rothschild Capital Holdings Limited for the year ended 31 December 2014.

1. DIVIDENDS

An interim dividend of £3,300,000 (£13.20 per share) in relation to the year ended 31 December 2014 was paid on 8 May 2014 and a further interim dividend of £600,000 (£2.40 per share) was paid on 18 July 2014 (2013: £3,500,000 or £14 per share). The profit for the financial year of £6,603,926 (2013: £3,896,625) was transferred to reserves. A further dividend of £5,250,000 (£21 per share) has been proposed for approval by the Board.

2. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

3. DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing the financial statements are set out on page 1. There were no changes during the year.

4. STATEMENT OF DISCLOSURE OF INFORMATION TO INDEPENDENT AUDITORS

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

The directors 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.

5. FINANCIAL RISK MANAGEMENT

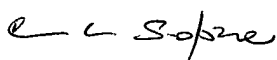
The Company's overall financial risk management strategy and activities are coordinated with the risk management activities of the immediate parent company, which are described in more details in those financial statements.

6. DIRECTORS' INDEMNITIES

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

Unaudited Pillar 3 disclosures can be found at <http://www.groupedr.co.uk/En/Pages/legal-notice.aspx>

ON BEHALF OF THE BOARD



Mr. R. M. Sopher
Director

9 April 2015

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion, Edmond de Rothschild Capital Holdings Limited's financial statements ("the financial statements"):

- give a true and fair view of the state of the company's affairs as at December 2014 and of its profit 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 requirements of the Company Act 2006.

What we have audited

Edmond de Rothschild Capital Holdings Limited's financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for the year ended 31 December 2014;
- the reconciliation of movements in total shareholders' funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPAY ACT 2006

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreements with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

WHAT AN AUDIT OF FINANCIAL STATEMENTS INVOLVES

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 misstatements, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company'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.

We primarily focus on work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED (continued)

In addition, we read all the financial and non- information in the Annual Report & Financial Statements 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.

D Brydon

Daniel Brydon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London, 9 April 2015

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	15,281,005	10,488,033
Administrative expenses	3	(6,863,305)	(5,408,200)
Operating profit		8,417,700	5,079,833
Interest (payable)/receivable and similar income		(1,616)	4,217
Profit on ordinary activities before taxation		8,416,084	5,084,050
Tax on profit on ordinary activities	6	(1,812,158)	(1,187,425)
Profit for the financial year		6,603,926	3,896,625

STATEMENT OF RETAINED PROFITS FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Balance at 1 January		5,112,497	4,715,872
Profit for the financial year		6,603,926	3,896,625
Dividends	11	(3,900,000)	(3,500,000)
Balance at 31 December		7,816,423	5,112,497

All results derived from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The Company has no recognised gains and losses other than those included in the profit and loss account, and therefore no separate statement of recognised gains and losses has been presented.

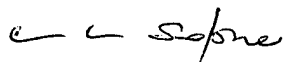
The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

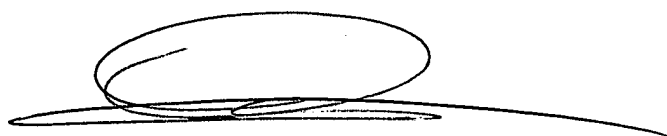
BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014	2013
		£	£
FIXED ASSETS			
Investments	7	84,376	84,376
CURRENT ASSETS			
Debtors	8	3,984,326	3,317,954
Cash at bank and in hand		10,133,141	6,560,810
		<u>14,117,467</u>	<u>9,878,764</u>
CREDITORS			
Amount falling due within one year	9	<u>(6,135,420)</u>	<u>(4,600,643)</u>
Net current assets		<u>7,982,047</u>	<u>5,278,121</u>
Total assets less current liabilities		<u><u>8,066,423</u></u>	<u><u>5,362,497</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	250,000	250,000
Profit and loss account		<u>7,816,423</u>	<u>5,112,497</u>
Total shareholders' funds	13	<u><u>8,066,423</u></u>	<u><u>5,362,497</u></u>

These financial statements on pages 8 to 17 were approved by the Board at its meeting on 1 April 2015 and were signed on its behalf by:



Mr. R. M. Sopher (Director)



Mr. D. van Duijn (Director)

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

(b) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates ruling at the balance sheet date. Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the end of the month in which the transaction occurred. Profits and losses on exchange arising in the ordinary course of business are taken to the profit and loss account.

(c) Turnover

Turnover represents dividends received from investment companies and fees charged for the provision of advisory services, net of retrocessions payable to counterparties, recognised on an accruals basis. The balance is stated exclusive of VAT and other related taxes. Performance fees and interim dividends receivable are recorded in the year in which they arise, unless it is not possible to accurately assess the amounts receivable, in which case they are recorded on a cash basis. Final dividends are accounted for in the year in which they are declared and approved.

(d) Fixed Asset Investments

Investments, which are held as fixed assets, are included in the balance sheet at cost less impairment. The directors believe that the carrying value of the investments is supported by their underlying net assets. ECH Investments Limited is not being consolidated, although it is majority owned, as it is consolidated at ultimate group level (Companies Act 2006 (S400) – exemption from consolidation for subsidiary companies (parent in EEC)).

(e) Debtors and Creditors

Trade debtors and trade creditors relate to unpaid fees and invoices for services provided accounted for on an accrued basis. Creditors relate to retrocessions to be paid in accordance with normal business arrangements, and amounts due for taxation. Amounts owed to group companies are in respect of administrative expenses.

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

1 ACCOUNTING POLICIES (continued)

(f) Taxation

The charge for taxation is based on the profit for the year, as adjusted for disallowable items. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. Full provision is made for all tax timing differences.

(g) Cash Flow Statement

As permitted by FRS 1 (revised 1996) "Cash Flow Statements", these financial statements do not include a cash flow statement, because the consolidated financial statements of EDRRIT Limited, which include this company as a wholly owned subsidiary and which are publicly available, include a consolidated cash flow statement dealing with the cash flows of the group.

(h) Related Party Disclosure

Advantage has been taken of the exemption in FRS 8, which permits a wholly owned subsidiary undertaking, which is included in the consolidated financial statements of a group, which are publicly available, from disclosing any transactions with other entities which are wholly owned within the group.

2 TURNOVER

The Directors consider that the business of the Company is investment advisory services. Advantage has been taken of the exemption in SSAP 25 which permits a wholly owned subsidiary undertaking to omit a segmental reporting analysis, if such an analysis is included in the financial statement of the immediate parent.

3 ADMINISTRATIVE EXPENSES

Administrative expenses include a charge of £6,546,435 (2013: £5,400,959) from Edmond de Rothschild (UK) Limited, a fellow subsidiary company, which is responsible for the administrative expenses of the group of Edmond de Rothschild companies. This includes directors' emoluments for management services, as detailed below, and audit fees of £43,547 (2013: £38,340).

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

4 DIRECTORS' EMOLUMENTS

	2014 £	2013 £
Aggregate emoluments	3,199,117	2,459,342
Aggregate value of company contributions to defined Pension schemes (in respect of 2 directors) (2013: 2)	<u>35,000</u>	<u>35,000</u>
	<u>3,234,117</u>	<u>2,494,342</u>
Highest paid director:		
- Aggregate emoluments	2,646,508	2,001,969
- Value of company contributions to defined contribution pension schemes	17,500	17,500

5 EMPLOYEES

No staff were employed directly by the Company during the year (2013: None).

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2014 £	2013 £
Current Tax		
UK Corporation tax for the year at 21.50% (2013: 23.25%)	<u>1,812,292</u>	<u>1,187,559</u>
Adjustments in respect of prior years	<u>(134)</u>	<u>(134)</u>
Total current tax	1,812,158	1,187,425
Deferred Tax		
Current year movement	-	-
Tax on profit on ordinary activities	<u>1,812,158</u>	<u>1,187,425</u>

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES (Continued)

The tax assessed for the year is higher (2013: higher) than the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%). The differences are explained below:

Profit on ordinary activities before taxation	8,416,084	5,084,050
Company entertaining	13,180	-
Taxable profit on ordinary activities	<u>8,429,264</u>	<u>5,084,050</u>
Tax on ordinary activities at standard rate of Corporation Tax in the UK of 21.5% (2013: 23.25%)	1,812,292	1,182,042
Effects of:		
Expenses not deductible for tax purposes	-	5,517
Adjustments in respect of prior years	(134)	(134)
Current tax charge for year	<u>1,812,158</u>	<u>1,187,425</u>

The standard rate of Corporation Tax in the UK changed from 23% to 21% with effect from 1 April 2014. Accordingly, the company's profit for this accounting year are taxed at an effective rate of 21.5% and will be taxed at 21% in the future. There are no deferred tax assets/liabilities (2013: None).

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

7 FIXED ASSET INVESTMENTS

Held by the Company and included in the Balance sheet at cost:

<u>Name</u>	<u>Country of Registration or Incorporation</u>	<u>Description and Number of Shares Held</u>	<u>Proportion of Nominal Value of Issued Shares Held</u>	<u>Principal Activity</u>
Other Investments				
ACH Management S.A.	Luxembourg	300 Ordinary Shares of EUR 41.67 each	10%	Fund Adviser
ECH Investments Limited	Cayman Islands	5,000 Ordinary Shares of EUR 1 each	5%	Fund Adviser
ECH Investments Limited	Cayman Islands	7,500 Preferred 'E' Shares of EUR 1 each	100%	Fund Adviser
ECH Investments Limited	Cayman Islands	1,000 Participating Shares of EUR 1 each	100%	Fund Adviser
L.C.H. Investments N.V	Curaçao	5 Ordinary		Fund

Other investments

	2014 £	2013 £
Cost and net book value		
Opening balance at 1 January	84,376	84,195
Additions	0	181
Closing balance at 31 December	<u>84,376</u>	<u>84,376</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

8 DEBTORS

	2014 £	2013 £
Trade debtors		
- group undertakings	496,654	524,574
- other debtors	3,487,672	2,793,380
	<u>3,984,326</u>	<u>3,317,954</u>

Amounts owed by group undertakings relate to Edmond de Rothschild Securities (UK) Limited, ACH Management SA and ECH Investment Limited, all subsidiaries of Edmond de Rothschild (UK) Limited. Amounts from the group companies are non interest-bearing.

9 CREDITORS - amounts falling due within one year

	2014 £	2013 £
Trade creditors		
- retrocession payable	903,816	723,342
Corporation tax payable	1,011,292	701,559
Amounts owed to group undertakings	4,220,312	3,175,742
	<u>6,135,420</u>	<u>4,600,643</u>

Amounts owed to group undertakings are unsecured and relate to Edmond de Rothschild (UK) Limited, a shareholder in the Company, for administrative services. Amounts due to group companies are non interest-bearing.

10 CALLED UP SHARE CAPITAL

	2014 £	2013 £
	<u>Ordinary shares of £1 each</u>	
250,000 (2013: 250,000) shares authorized, allotted and fully paid	<u>250,000</u>	<u>250,000</u>

11 DIVIDENDS

	2014 £	2013 £
An interim dividend paid in the year of £15.60 per share (2013: £14 per share)	<u>3,900,000</u>	<u>3,500,000</u>
	<u>3,900,000</u>	<u>3,500,000</u>

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

12 RELATED PARTY TRANSACTIONS

	2014 £	2013 £
Transactions with Edmond de Rothschild (UK) Limited (formerly Edmond de Rothschild Limited)		
- Service charge by the Group companies	403,325	375,420
- Recharge of direct costs	6,759,980	5,032,780
	<u>7,163,305</u>	<u>5,408,200</u>
Transactions with ECH Investments Limited		
- Dividend received	2,276,305	1,253,138
- Fees and recoverable expenses received	2,134	6,432
	<u>2,278,439</u>	<u>1,259,570</u>

Edmond de Rothschild Capital Holdings Limited provides services to ECH Investments Limited. The ultimate controlling party of Edmond de Rothschild Capital Holdings Limited has a controlling shareholding in ECH Investments Limited and it is accordingly consolidated into the ultimate controlling party's financial statements. Dividends received represent the amount net of retrocession paid £ 162,550 (2013: £172,854) in respect of investors in ECH.

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	5,362,497	4,965,872
Profit for the financial year	6,603,926	3,896,625
Dividends paid during the year	<u>(3,900,000)</u>	<u>(3,500,000)</u>
Closing shareholders' funds	<u>8,066,423</u>	<u>5,362,497</u>

14 CONTINGENT LIABILITIES

There are no contingent liabilities known to the directors (2013: nil).

15 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is EDRRIT Limited, a company incorporated in the United Kingdom, which is ultimately owned 51% by Edmond de Rothschild Holding S.A., a company incorporated in Switzerland, and 49% owned by RIT Capital Partners plc, an investment trust listed on The London Stock Exchange.

The notes on pages 10 to 17 form part of these financial statements.

EDMOND DE ROTHSCHILD CAPITAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

15 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY (Continued)

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

Edmond de Rothschild Holding S.A. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2014. The consolidated financial statements of Edmond de Rothschild Holding S.A. can be obtained from Edmond de Rothschild Holding S.A., Case Postale 5254, 1211 Genève 11, Switzerland. Edmond de Rothschild (UK) Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Edmond de Rothschild (UK) Limited (formerly Edmond de Rothschild Limited) can be obtained from Edmond de Rothschild (UK) Limited, 4 Carlton Gardens, London SW1Y 5AA.

The notes on pages 10 to 17 form part of these financial statements.