Company Number: SC420607

RIT INVESTMENTS GP LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2019

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RIT INVESTMENTS GP LIMITED

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RIT INVESTMENTS GP LIMITED

COMPANY INFORMATION

Registered Office
50 Lothian Road,
Festival Square,
Edinburgh,
EH3 9WJ, Scotland

Independent Auditors
Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

Company Secretary
Burness Paull LLP
50 Lothian Road,
Festival Square,
Edinburgh,
EH3 9WJ, Scotland

RIT INVESTMENTS GP LIMITED

REPORT OF THE DIRECTORS

The Director presents the Report and Accounts of RIT Investments GP Limited (the "Company") for the year ended 31 December 2019.

Strategic Report

The principal activity is to act as the General Partner of various limited partnerships. The Company became the general partner of RIT US Value Partnership LP in February 2018, a partnership involved in the investment activities of RIT Capital Partners plc the ultimate parent undertaking of the Company.

From the perspective of the Company, financial instruments do not have a significant impact on the Company's financial position and performance. The director does not consider the Company to be exposed to significant market, credit, liquidity or interest rate risks by virtue of its principal activity. The principal risks and uncertainties of the Company are integrated with the principal risks of the Group and are not managed separately. These risks and uncertainties, which include those of the Company, are as disclosed in note 14 of the Report and Accounts of RIT Capital Partners plc for the year ended 31 December 2019.

Report of Directors

Financial Results and Dividends

The result for the year end is shown in the Income Statement on page 8. The Director is comfortable with the performance of the business and does not recommend the payment of a dividend (year ended 31 December 2018: £nil).

Given the straightforward nature of the business, the Director is of the opinion that analysis using Key Performance Indicators is not necessary for an understanding of the development, performance or position of the business.

Future Developments

The Company reviewed the impact of COVID-19 on its business of acting as general partner of investment partnerships in which the Group has significant interests. The nature of the general partner role and the Group's operational risk planning means the Company has been able to continue to fulfil its obligations and expectations for revenues for the Company are unchanged. This Combined with the reserves of the Company, liquidity and support of the Group leave the Directors comfortable with the future prospects of the Company, its ability to draw down liquidity from Group as required, and its ability to continue as a going concern.

There are no likely changes to the business of the Company in the foreseeable future.

Directors

The Director of the Company who was in office during the year and up to the date of signing of the financial statements was:

A W Jones

Statement of directors' responsibilities in respect of the financial statements

The director is responsible for preparing the Strategic Report, Report of Directors and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements of the Company for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. Under company law the director 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 the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRS as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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.

The director is 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.

Disclosure of Information to Auditors

In the case of the director in office at the date the Report of the Directors is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Status of Company

RIT Investments GP Limited is incorporated as a private limited Company in Scotland. The Registered Office is shown on page 2.

Directors' Indemnities

The Company has in place qualifying third party indemnity provisions for the benefit of the Directors, under a Group arrangement, which were made during the year and remain in force at the date of this report.

Independent auditors

The Director anticipates Ernst & Young LLP (EY) being re-appointed for the 31 December 2020 year-end.

The financial statements on pages 8 to 16 were approved by the Board of Directors on 22 July 2020 and signed on its behalf by:

A W Jones,
Director
22 July 2020

RIT INVESTMENTS GP LIMITED

Independent auditors' report to the members of RIT Investments GP Limited

Opinion

We have audited the financial statements of RIT Investments GP Limited for the year ended 31 December 2019 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 10, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view 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 IFRSs 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on 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 strategic report and the report of directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of directors have 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 strategic report or report of directors.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Ernst & Young LLP

Matthew Price (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
23 July 2020

RIT INVESTMENTS GP LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Revenue		1,000	750
Operating expenses		-	-
Profit/(loss) before tax		1,000	750
Taxation	3	-	-
Profit/(loss) for the year		1,000	750

The company has no income other than that shown above for either the current or prior year, and therefore no separate Statement of Other Comprehensive Income has been prepared.

All the above relate to continuing operations.

The notes on pages 12 to 16 form part of these accounts.

RIT INVESTMENTS GP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	31 December 2019 £	31 December 2018 £
Non current assets			
Investments held at fair value		1	1
Current assets			
Trade and other receivables	4	91,453	90,453
		91,453	90,453
Current liabilities			
Trade and other payables		(1)	(1)
Net current assets		91,452	90,452
Net assets		91,453	90,453
Equity			
Share Capital	5	100	100
Retained earnings		91,353	90,353
Total equity		91,453	90,453

The financial statements on pages 8 to 16 were approved by the Board of Directors on 22 July 2020 and signed on its behalf by:

Director: A W Jones

Company number: SC420607
The notes on pages 12 to 16 form part of these accounts.



RIT INVESTMENTS GP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital	Retained earnings	Total Equity
	£	£	£
Year ended 31 December 2019			
Balance at 1 January 2019	100	90,353	90,453
Profit/ (loss) and total comprehensive income/ (expense) for the year	-	1,000	1,000
Balance at 31 December 2019	100	91,353	91,453

	Share capital	Retained earnings	Total Equity
	£	£	£
Year ended 31 December 2018			
Balance at 1 January 2018	100	89,603	89,703
Profit/ (loss) and total comprehensive income/ (expense) for the year	-	750	750
Balance at 31 December 2018	100	90,353	90,453

The notes on pages 12 to 16 form part of these accounts.

RIT INVESTMENTS GP LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Year ended 31 December 2019	Year ended 31 December 2018
	£	£
Cash flows from operating activities		
Profit/(loss) before taxation	1,000	750
(Increase)/decrease in trade and other receivables	(1,000)	(750)
Increase/(decrease) in trade and other payables	-	-
Net cash generated from operating activities	-	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	-	-

The notes on pages 12 to 16 form part of these accounts.

RIT INVESTMENTS GP LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies

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

(i) Basis of Accounting

The financial statements have been prepared in accordance with IFRS as adopted by the European Union, interpretations issued by the IFRS Interpretations Committee and those parts of Companies Act 2006 applicable to companies reporting under IFRS. The Company is a private limited company, incorporated domiciled and registered (Registration number SC420607) in the United Kingdom. The registered office is shown on page 1.

The financial statements have been prepared on a going concern basis and under the historical cost basis, except for the revaluation of certain financial instruments. The principal accounting policies adopted are set out below.

Accounting policies have been consistently applied. The year ended 31 December 2019 is the first year in which the following standard has been adopted:

- IFRS 16 Leases ("IFRS 16")

IFRS 16 Leases was be applicable to the financial year ended 31 December 2019. The Directors believe that application of this standard has not had any impact on the Company's accounts and financial position as the Company is not party to any material leases.

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. Management considered COVID -19 impact as part of their going concern assessment using information available to the date of issue of these financial statements and concluded that RIT Investments GP Limited is unlikely to suffer any material impact on the financial position and results of the Company for future periods. The Company retains the support of its ultimate parent undertaking.

The Company is considered to operate as a single segment. As the Company does not have debt or equity instruments that are traded on the public market and does not file accounts with a Securities Commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market, it does not fall within the scope of IFRS 8.

(ii) Income

All income is accounted for on an accruals basis.

(iii) Operating expenses

All expenses are accounted for on an accruals basis.

(iv) Foreign Currencies

Items included in the financial statements are measured using Sterling, the currency of the primary economic environment in which the entity operates ('the financial currency'). The accounts are presented in Sterling which is the Company's functional and presentational currency.

Transactions in currencies other than Sterling are recorded at the rate of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items and non-monetary assets and liabilities that are fair valued and are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Gains and losses arising on retranslation are included in net profit or loss for the year in respect of those investments which are classified as fair value through profit or loss. All foreign exchange gains and losses are recognised in the income statement.

(v) Taxation

The tax expense represents the sum of the tax currently payable.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not subject to tax or are not deductible for tax purposes. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

(vi) Trade and Other Receivables

Trade and other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. This approximates their fair value.

(vii) Capital

The Company seeks to manage its share capital and reserves so as to maximise the return to its parent.

2. Directors' Emoluments and Auditors' Remuneration

The emoluments of the Director are paid by the parent company, which makes no recharge to the Company. The Director is also on the board of a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

One Director exercised Share Appreciation Rights whose value is related to the price of the ultimate parent Company's shares during the year (2018: one).

Audit fees of £2,348 were borne by the parent company (2018: £2,300).

3. Taxation

	Year ended 31 December 2019	Year ended 31 December 2018
	£	£
Current tax charge	-	-
Total tax charge	-	-

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (year ended 31 December 2018: 19%). The differences are explained below:

	Year ended 31 December 2019	Year ended 31 December 2018
	£	£
Profit/(loss) before tax	1,000	750
Profit before tax at the standard rate of 19% (31 December 2018: 19%)	190	144
Amounts not recognised	(190)	(144)
Total tax charge	-	-

The Company had carried forward tax losses of £74,947 at 31 December 2019 (2018: £75,947) that have not been recognised as a deferred tax asset, as it is unlikely that the unrecognised asset will be utilised in the foreseeable future.

4. Trade and Other Receivables

	Year ended 31 December 2019	Year ended 31 December 2018
	£	£
Amounts owed by group undertakings	91,453	90,453

Amounts owed by related parties are interest free and are receivable on demand.

5. Share Capital

	Year ended 31 December 2019	Year ended 31 December 2018
	£	£
Allotted and issued:		
100 Ordinary shares of £1 each	100	100

6. Ultimate Parent Undertaking

The immediate controlling party of the Company is J Rothschild Capital Management Limited, a wholly owned subsidiary of the ultimate controlling party, RIT Capital Partners plc, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of the group accounts of RIT Capital Partners plc may be obtained from the Company Secretary, J Rothschild Capital Management Limited, 27, St James's Place, London SW1A 1NR. The accounts can also be obtained from the RIT Capital Partners plc website (www.ritcap.com).

7. Related Party Transactions

Amounts due from other group entities are shown in note 4. The amounts due and from other group companies are payable on demand and are not secured. These amounts bear no interest and hence fair value is deemed to equal book cost.

The remuneration attributable to key management personnel was £nil (2018: £nil). Additionally, there are no other costs related to wages and salaries as there are no employees during the year.

8. Financial Instruments and Risk Management

The Company's assets and liabilities include the following financial instruments:

- Cash, and receivables that arise directly from the Company's activities.
- Investment in Partnership Capital

All receivables are due from group entities and are therefore not viewed as subject to credit risk. The Company holds no cash balances (31 December 2018: £nil) and manages liquidity risk through an intercompany account with its parent by which means transactions may be effected.

Capital management is considered at a group wide basis. The primary objectives in relation to the management of capital for the Company is the ability to continue as a going concern.

Policies of the group can be found in note 14 of the Report and Accounts of RIT Capital Partners plc for the year ended 31 December 2019.

9. Dividends

During the year no dividend was paid (year ended 31 December 2018: £nil).

10. Post Balance Sheet event

COVID-19 is considered to be a non-adjusting post balance sheet event and as such no adjustments have been made to the valuation of assets and liabilities as at 31 December 2019. For further discussion concerning the management assessment of COVID-19 impact on the Company refer to note 1.