RAVENSCROFT
Stockbroking & Investment Management

ANNUAL REPORT 2015

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RAVENSCROFT
Stockbroking & Investment Management

CONTENTS

BUSINESS AND FINANCIAL HIGHLIGHTS
YEAR ENDED 31 DECEMBER 2015

Revenue increased marginally to £11.41m (31 December 2014: £11.37m) despite significant non-recurring revenues earned in 2014.

Recurring revenues increased by 48% to £6.37m (31 December 2014: £4.30m).

Gross profit of £9.52m (31 December 2014: Gross profit of £8.54m).

Operating profit achieved of £2.19m (31 December 2014: £2.34m).

Total Assets Under Administration ("AUA") up 47% to £2.38b (31 December 2014: £1.62b).

Acquisition of 75% stake in A Vartan Limited ("Vartan") completed on 20 March 2015 which contributed £279.63m of AUA (as at 31 December 2015) of the Group total of £2.38b.

Basic earnings per share excluding the £2.85m accelerated share based payment expense of 18.18p, (31 December 2014 earnings: 21.81p, diluted earnings: 20.65p).

Annual Dividend increased: The Board proposes a final dividend of 8p per share. Resulting in a total dividend of 17.25p per share for the year (interim dividend of 4.25p per share and the special dividend of 5p per share) (2014: 12p).

Provisional Financial Calendar

4 April 2016	Dividend declaration date and publication of the 2015 Annual Report
27 April 2016	Annual General Meeting
28 April 2016	Ex-dividend date
3 May 2016	Dividend record date
10 May 2016	Dividend payment date

COMPANY INFORMATION
YEAR ENDED 31 DECEMBER 2015

RAVENSCROFT LIMITED (the "Company")

DIRECTORS

CURRENT DIRECTORS

A M Stewart	(Non-Executive Chairman)
S A Farnon	(Non-Executive Director & Senior Independent Director)
D C Jones	(Non-Executive Director)
S P Lansdown (appointed 15 September 2015)	(Non-Executive Director)
J R Ravenscroft	(Group Chief Executive Officer)
C M N Roger	(Chief Executive Officer, Channel Islands)
B M O'Mahoney (appointed 1 July 2015)	(Chief Operating Officer & Group Finance Director)

FORMER DIRECTORS

S C Melling (resigned 9 December 2015)

COMPANY SECRETARY

D J McGall (Group Company Secretary)

REGISTERED OFFICE

The Market Buildings
Fountain Street
St Peter Port
Guernsey
GY1 4JG

CISE LISTING SPONSOR

Hatstone Listing Services Limited
Oak Walk
Le Mont Fallu
St Peter
Jersey
JE3 7EF

INDEPENDENT AUDITORS

PricewaterhouseCoopers CI LLP
Royal Bank Place
1 Glategny Esplanade
St Peter Port
Guernsey
GY1 4ND

THE BOARD OF DIRECTORS
YEAR ENDED 31 DECEMBER 2015

Andy Stewart - Chairman

Andy was previously Chief Executive Officer and more latterly, Deputy Chairman of Cenkos Securities plc having founded the Company in 2005 and has over 40 years' experience in the UK securities industry. In 1991 he co-founded Collins Stewart Wealth Management now known as Canaccord Genuity Wealth (International) Limited, subsequently listing it on the London Stock Exchange with a market capitalisation on listing of approximately £326 million. Andy started his career as a stockbroker in 1969 with Simon & Coates, where he became a senior partner. After Simon & Coates was acquired by Chase Manhattan Bank, he became chief executive of Chase Manhattan Securities until the launch of Collins Stewart. Andy joined the Ravenscroft Limited Board on 4 December 2009 and is Chairman of the Nomination Committee and a member of the Audit and Remuneration Committees.

Sally-Ann (Susie) Farnon - Non-Executive Director & Senior Independent Director

Susie qualified as a Chartered Accountant with KPMG in 1983 and was a banking and finance Partner with KPMG Channel Islands from 1990 until 2001 and Head of Audit KPMG Channel Islands from 1999. After leaving KPMG in 2001, she was a member of the States of Guernsey Audit Commission and formerly a Commissioner of the Guernsey Financial Services Commission. She is also a Director of local property companies and is Non-Executive Director of listed property & investment funds. Susie was first appointed to the Board of Ravenscroft Limited on 21 April 2008 and is Chairman of the Audit and Remuneration Committees as well as a member of the Nomination Committee.

Dominic Jones - Non-Executive Director

Dominic has a degree in law from the University of Bristol and was admitted to the English Bar in 1987 and the Paris Bar in 1992. He started his career in 1988 with Slaughter and May, and after a period in investment banking with Morgan Stanley joined Mourant, where he was a partner of Mourant Equity Compensation Solutions. He also held senior group board positions at leading European private equity fund administrators IPES and Alter Domus. In 2010, he joined his family's business, Jersey Pottery, as an Executive Director. Dominic has been a Non-Executive Director of Ravenscroft Jersey Limited since 2008 and he also has several voluntary positions including council member of the National Trust of Jersey and governor of Rouge Bouillon School. Dominic is a member of the Nomination, Remuneration and Audit Committees.

Stephen Lansdown - Non-Executive Director

Stephen is co-founder and former Chairman of Hargreaves Lansdown PLC, the UK's biggest independent private client brokerage and a member of the FTSE 100. A Fellow of the Institute of Chartered Accountants in England and Wales, Stephen was presented with Honorary Degrees from Bristol University (Doctor of Laws) and the University of the West of England (Doctor of Business Administration) in 2012. He moved to Guernsey in March 2010 and has become a firm supporter of the local business, culture and the sporting scenes. Stephen's many other business interests include investments in Africa, renewables and various sports teams. Stephen became a shareholder in December 2012 and was appointed as a Non-Executive Director to the Ravenscroft Board in September 2015.

Jon Ravenscroft - Group Chief Executive Officer

Jon founded Cenkos Channel Islands Limited in 2005 and was appointed Chief Executive Officer. He has more than 30 years' experience in stockbroking. Jon started his career in broking in 1983 as a trainee dealer at Sheppards & Chase and then spent a short time in the Isle of Man before returning to Guernsey to establish a broking office that is now Canaccord Genuity Wealth (International) Limited (formerly Collins Stewart (CI) Limited). He was educated at Elizabeth College in Guernsey and Millfield School in the UK. Jon is a Fellow of the Chartered Institute for Securities and Investment ("CISI").

Charlie Roger - Chief Executive Officer, Channel Islands

Charlie joined Ravenscroft in June 2014 and was appointed Chief Executive Officer of the Channel Islands in December the same year. Charlie previously spent more than 20 years at Canaccord Genuity Wealth (International) Limited (formerly Collins Stewart (CI) Limited). Roles included fixed interest sales & trading, heading the Guernsey stockbroking team, membership of the wider Wealth Management Executive Committee, Executive Director of the CGWI Board and Head of Wealth Management, Guernsey. Charlie was educated at Elizabeth College, has an Honours degree in Economics & Politics and is a Chartered Fellow of the CISI.

Brian O'Mahoney - Chief Operating Officer & Group Finance Director

Brian joined Ravenscroft Limited as Chief Operating Officer & Group Finance Director in July 2015 having previously worked at Legis Group where he performed a similar role. He was instrumental in steering Legis Group through its initial management buyout and subsequent industry sales. Prior to working at Legis, Brian worked at Kleinwort Benson for 13 years, ultimately becoming Chief Financial Officer for the Channel Islands, a role he held for a number of years. With over 20 years' experience within the financial services sector, Brian is also a director of a number of companies including property, trading and financial entities. Brian is a Fellow of the Institute of Chartered Accountants in Ireland and holds a finance based MBA from Manchester Business School.

RAVENSCROFT
Stockbroking & Investment Management

Andy Stewart
Chairman
30 March 2016

CHAIRMAN'S STATEMENT

YEAR ENDED 31 DECEMBER 2015

I am delighted to report that it has been yet another significant year for the Ravenscroft Group, total revenue for the year was £11.41m and this followed on from producing a similarly strong figure in 2014. As explained elsewhere in the accounts, 2014 benefitted from considerable one-off transactional revenues and therefore to be able to produce a similar revenue level in 2015 was a very pleasing performance.

The year 2015 proved to be challenging for stock markets around the world. The FTSE 100, for example, fell by 4.9% having opened in January at 6,547 it closed in December at 6,242. That however only tells half the story. The year started very brightly indeed with the index hitting an all time high of 7,103 on 27 April 2015. Although the trend was down for much of the remainder of the year, and the index fell to close the year at 6,242, meaning an inter year fall from its highest point of 13.8%, in this context it was a striking performance by Ravenscroft.

The year's stand out performer was Ravenscroft Investment Management Limited ("RIML") whose revenue increased by 35% and its Assets Under Administration ("AUA") increased by 44% in the year. This was a great performance and shows that their thematic investment style has struck a chord with clients and intermediaries alike. The future is very bright for RIML and we are confident they will continue on a pathway of continued growth.

Overall CI Broking also had a good year, although headline revenue fell 10% from the previous year due to considerable non-recurring revenues seen in 2014, recurring revenue nevertheless increased by 22%. It is great that the core of our business is performing in such a consistent and strong manner during such challenging market conditions.

The Corporate Finance department, where Ravenscroft Limited acts as Investment Manager to Bailiwick Investments Limited ("BIL") and the Channel Islands Property Fund Limited ("CIPF") also had a notable year. The AUA managed in these two funds was £204.32m at the year end; a 28% increase since 2014. The team completed some notable transactions during the year; Acorn Finance Limited, Guernsey Recycling Limited, Carey House and the Sandpiper fundraising. In addition, the team were exceptionally busy towards the end of the year, and as a result the 2016 figures will likely benefit from this also. Indeed, the Sandpiper investment completed on 19 February 2016 and the Liberation & Windward House acquisitions are also planned to close during quarter two 2016.

As I mentioned in my Chairman's Statement last year, the acquisition of Vartan, a well-established and profitable private client stockbroker completed on 20 March 2015. These financial statements therefore include 9 months and 10 days of the contribution from Vartan. As explained elsewhere in the report, this added revenue of £1.45m and increased AUA by £279.63m at the year end. We are delighted with the contribution that Vartan has made to these results and we are looking forward to working with the team for many years to come.

Stephen Lansdown joined the Board as a non-executive director in September 2015 after his family owned investment company, Pula Investments Limited, increased its stake in the Company from 9.36% to 27.86%. We have enjoyed and benefited greatly from having Stephen on the Board and are delighted to have someone of his experience and calibre available to us.

We have used the unique opportunity provided by the Pula Investment transaction to reward our hardworking staff and vest the existing share based payment employee schemes early resulting in an accelerated one-off charge of £2.85m as reflected in the Statement of Comprehensive Income. The details of this transaction are outlined in Note 5.

I am also pleased to say that we further strengthened our senior executive team during the year with the appointment of Brian O'Mahoney to the board as Chief Operating Officer and Group Finance Director. Brian brings impressive breadth of relevant experience to the role and I have no doubt that he will prove a valuable addition to the team.

Your Board is proposing a dividend of 8p per share to be approved at the Annual General Meeting on 27 April 2016 and to be paid on 10 May 2016 to all shareholders on the register on 3 May 2016. This will bring the total dividend for the year to 17.25p, including the special dividend of 5p that was paid on 16 October 2015, (12p per share 2014).

BUSINESS AND FINANCIAL REVIEW

YEAR ENDED 31 DECEMBER 2015

Jon Ravenscroft
Group Chief Executive Officer
30 March 2016

GROUP BUSINESS REVIEW

	31 December 2015 £'000 *Adjusted for Accelerated Share Based Payment Expense	31 December 2014 £'000	Year on Year Change
Revenue	11,409	11,373	0%
recurring revenue	6,370	4,298	48%
non-recurring revenue	5,039	7,075	-29%
Operating profit	2,194	2,344	-6%
Operating profit margin	19%	21%	-2%
Basic earnings per share *	18.18p	21.81p	-17%
Diluted earnings per share *	18.18p	20.65p	-12%
Assets under administration (£m)	2,379	1,618	47%

* 2015 basic and diluted earnings per share shown here exclude the accelerated share based payment charge of £2.85m. The basic and diluted loss per share including the accelerated share based payment charge was 6.70p. See Note 5 for further details.

Revenue

Ravenscroft Limited and its subsidiaries (the "Group") performed strongly during the year, producing revenue of £11.41m. This was a very pleasing performance bearing in mind the tough market conditions and that the 2014 figures included one-off transactions of £1.00m in Channel Islands Broking and additional revenue of £1.94m in Corporate Finance. Making allowance for these items, £2.94m in total, whilst also taking out the £1.45m from the 2015 revenue of the 9 months that we have owned A Vartan Limited, which trades as Vartan Ravenscroft, ("Vartan") leaves the underlying revenue having increased by £1.53m. Importantly, the increase comprised £1.29m in recurring revenue and £0.24m in non-recurring revenue.

This £1.53m increase in underlying recurring revenue was delivered by: CI Broking (£0.44m), Asset Management (£0.72m) and Corporate Finance (£0.37m). Ultimately this increase was driven by a 30% increase (47% if including Vartan assets) in AUA for the year from £1.62b to £2.10b (£2.38b including Vartan), which we are delighted with.

We are constantly striving to grow our recurring revenue as this is the foundation of the business and ensures that we continue to cover our ongoing costs.

Operating Profit

Operating profit fell from £2.34m in 2014 to £2.19m this year, a reduction of £0.15m. However, we are very pleased with this result bearing in mind the 29% drop in non-recurring revenue in the year.

Accelerated share based payment expense

In 2015 the Board resolved to award shares and vest options early under the existing Long Term Incentive Plan-2010 ("LTIP-2010") and Long Term Incentive Plan-2013 ("LTIP-2013") employee schemes. The purpose of which was to facilitate the increased investment by Pula Investments Limited in the Company to 27.86%.

As a result of issuing the shares to satisfy the obligations of the LTIP-2013 scheme the Company incurred a one-off net charge of £2.85m representing the charge incurred from issuing the shares at the then current share price of £3.50 less the provision held on the Company's reserves.

Statement of financial position and cash flows

At the 2015 year end, the Group had net assets of £9.35m (compared to £5.90m at the same time in 2014), including cash balances of £2.07m (£3.84m in 2014).

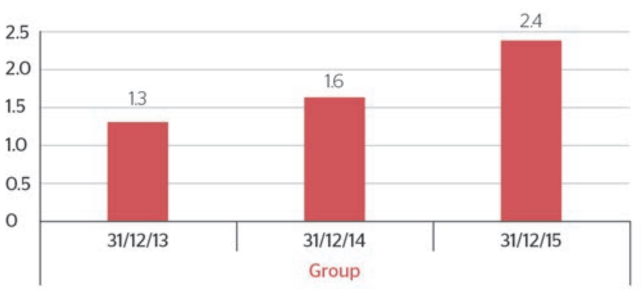
The Group manages its capital to ensure all Group entities will be able to continue as going concerns while maximising the return to shareholders. The capital structure of the Group consists of equity attributable to shareholders of the Company, comprising issued share capital, share premium and reserves as disclosed in the Consolidated Statement of Changes in Equity.

It is the responsibility of the Board to review the Group's gearing levels on an ongoing basis and at present the Group has no gearing. The Company and three of its subsidiaries, Ravenscroft Investment Management Limited ("RIML"), Ravenscroft Jersey Limited ("RJL") and A Vartan Limited ("Vartan") are required to maintain minimum financial resources in accordance with the rules of their respective regulators. These requirements vary from time-to-time depending on the business conducted by these companies. The companies financial resources are continuously reviewed and the levels maintained are considered by the Board as sufficient to meet the companies commitments and withstand the risks to which they are subject. At 31 December 2015 the Company had net assets in excess of the minimum regulatory requirements of £3.89m (£4.46m in 2014), RIML had excess net assets of £0.54m (£0.76m in 2014), RJL had a Ratio of Adjusted Net Liquid Assets over Expenditure of 136% (184% in 2014) which was 6% higher than the minimum regulatory requirements, Vartan had capital in excess of the minimum regulatory requirements of £0.23m.

Assets Under Administration ("AUA")

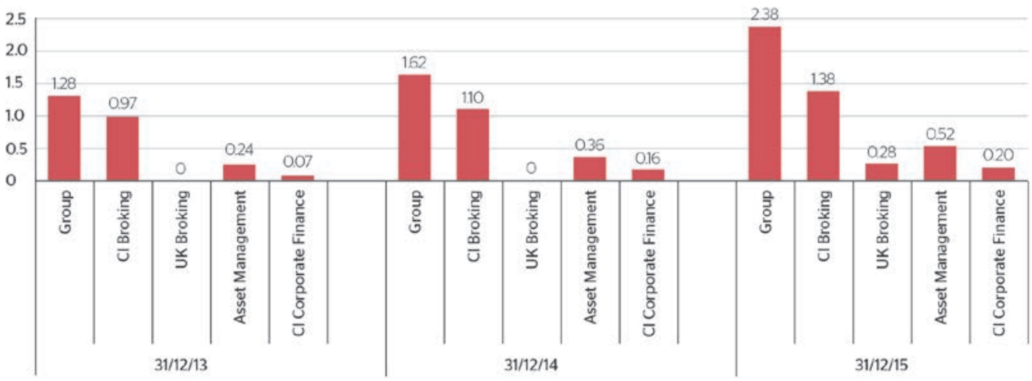
Total Assets Under Administration for the Group have risen by 47% to £2.38b (2014: £1.62b) driven by a £278m (25%) increase in CI Broking assets from £1.10b to £1.38b, the Vartan acquisition which added £280m, the 44% increase in AUM from £358m to £517m for the Asset Management segment and Corporate Finance assets which rose by £45m in the year.

£ billions



AUA Development by Segment

AUA (£ billions)



Earnings per share

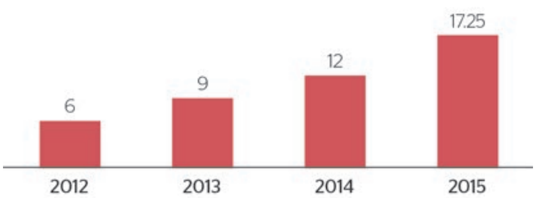
When excluding the accelerated share based payments adjustment (LTIP-2013 share issue charge) as detailed in Note 5, basic and diluted earnings per share for the year were 18.18p compared with 21.81p basic earnings per share and 20.65p diluted earnings per share for 2014. This reduction in earnings per share is due to a combination of an increased investment in staff during the latter part of 2014 and throughout 2015 as we recruited to strengthen the business, and the increase in share capital that resulted from the early vesting of the employee share option and incentive schemes. The level of staff recruited in 2014 and 2015 was due to business necessity and we now believe we are adequately resourced for the current and anticipated future levels of business.

The dilution in 2014 arose from the potential exercise of share options. As at the year end date there was no dilutive effect from the current issued share options as they are out of the money, as the then price of Ravenscroft shares had not passed the hurdle rate.

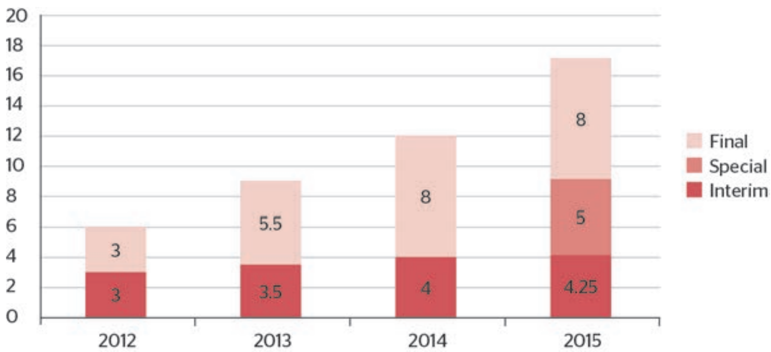
Dividend

The Board is delighted to propose a final dividend of 8p per share resulting in an annual dividend of 17.25p (2014: 12p), including the special dividend of 5p paid on 16 October 2015. The Board have decided to increase the proposed dividend despite the increase in share capital of 19.5% that occurred in August 2015 due to the exercise of employee share options prior to the Pula Investments Limited transaction. If approved at the Company's Annual General Meeting on 27 April 2016, the dividend will be paid on 10 May 2016 to all shareholders on the register at 3 May 2016.

Total Dividend Paid (pence)



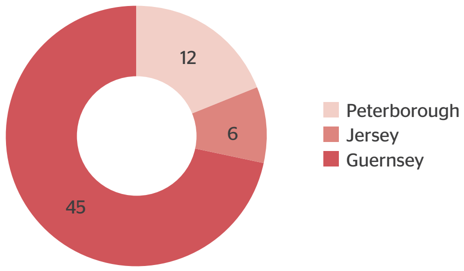
Dividend Paid (pence)

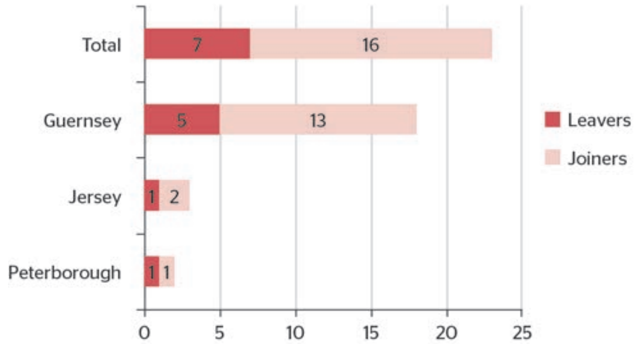


People

We recognise that our staff are a key resource of the business and the quality of leadership is vital to the success of the Group. The Board continually strives to improve the engagement and motivation of our people in order to improve business performance, and we ensure team leaders understand what is expected of them in developing their teams.

As at 31 December 2015, the Group employed a total of 63 staff across the three offices. During the year a total of 16 members of staff were recruited, excluding the staff that joined as a result of the acquisition of A Vartan Limited. Within the 16 staff who joined the Group during the year were a number of senior appointments specifically recruited to help strengthen the business including Brian O'Mahoney (Chief Operating Officer and Group Finance Director), Justina Grieg (Head of Settlements), Lee Hammond (Senior Compliance Officer & Deputy MLRO) and Anna Storey (Group Financial Controller), all recruited to the Guernsey office. A total of 7 members of staff left employment with the Group during the year.





Principal risks and uncertainties

The principal risks and uncertainties currently faced by the Group are detailed below. The risks outlined are those that the Group believes have the potential to have a significant detrimental impact on its financial performance and future prospects.

Reputational risk

We consider one of the greatest risks to our business comes from the potential loss of its reputation. Whilst entrepreneurial employees are encouraged to develop new clients and varied streams of revenue, all new business is subject to a rigorous take-on process and risk rating review, as well as on-going controls and monitoring to ensure that it meets the Group's strict new business criteria.

Employee risk

Our employees are the Group's greatest asset and all future successes are dependant on our ability to attract and retain high quality executives and employees. We seek to minimise employee risk by rewarding staff members through a remuneration package, which includes performance-based payments that align the interests of both employees and shareholders, whilst avoiding the encouragement of excessive individual risk taking.

Regulatory risk

Any regulatory changes arising in any of the Group's current jurisdictions which could potentially impair the Group's ability to provide Stockbroking or Investment Management Services, may adversely affect our ability to trade and achieve our strategic objectives.

The investment business sector, as with all of the Finance Industry, continues to see a significant level of regulatory evolution and we continue to horizon scan in order to keep abreast of relevant developments in this regard.

Business continuity risk

There is a risk that any incident that we are affected by, directly or indirectly such as disruption to utilities and services, office closures or pandemic occurrences, could cause possible damage to the Group's infrastructure or affect key employees, which in turn could affect our reputation or cause financial loss. Business continuity planning is in place across the business in order to sustain operations with a minimum of disruption through a combination of business continuity planning, duplicated infrastructure and remote facilities. Regular testing of the business continuity plan is undertaken.

Operational risk

Operational risk is the risk that the Group suffers a loss directly or indirectly from inadequate or failed internal processes, people, systems, or from external events. Compliance personnel and senior management ensure that significant operational risks, mitigations and appropriate control systems are continually reviewed. Where applicable, a corrective action plan is put in place.

Liquidity risk

The Group has in place a robust liquidity risk management framework for the management of all short, medium and long-term funding, and any liquidity management requirements. We manage liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Given the nature of our business, the Group does not run any significant liquidity mismatches, financial liabilities are on the whole short term and we have sufficient cash retained to cover all non-client and market liabilities.

Economic conditions

The Group is generally dependent on the health of the financial markets. The potential impact of poor economic conditions on our clients and markets has the potential to adversely influence the overall Group's financial performance and prospects. Specific examples that could affect the Group include a reduced level of securities trading as well as a general decline in the value of AUA. The Group has a business model that seeks to minimise any resulting impact of such scenarios by continually reviewing its cost base and more importantly by having a flexible remuneration structure which is predominantly geared to financial performance.

Market risk exposure

The Group is exposed to market risk predominantly through its position in trading investments. We monitor and apply appropriate controls in order to minimise this risk on a daily basis.

BROKING – CHANNEL ISLANDS

	31 December 2015 £'000	31 December 2014 £'000	Change
Revenue	**4,798**	**5,336**	**-10%**
recurring revenue	1,813	1,485	22%
non-recurring revenue	2,985	3,851	-22%
Assets under administration (£m)	**1,378**	**1,100**	**25%**

Broking primarily includes private client and institutional stockbroking as well as market making activity. Overall revenue for the year fell 10% (or £0.54m) to £4.80m. However, as previously discussed, the 2014 figures included £1.0m of non-recurring one-off institutional revenue, that was not expected to be repeated in 2015.

The recurring revenues for the year rose 22% from £1.49m in 2014 to £1.81m for 2015. The revenue increased as a direct result of the growth in the underlying AUA, which had risen 25% from £1,100m to £1,378m at the year end.

Non-recurring revenues fell 22% this year when compared to 2014 from £3.85m to £2.99m, due to the one-off 2014 institutional trades. It is worth noting, that clients have been trading less during the majority of the year due to market uncertainty and our non-recurring revenue figures have suffered as a result.

Overall the underlying asset growth in the segment and the progress made during the year has been very encouraging and further AUA growth is anticipated in 2016.

BROKING – UNITED KINGDOM

	31 December 2015 £'000	31 December 2014 £'000	Change
Revenue	**1,447**	**–**	**100%**
recurring revenue	778	–	100%
non-recurring revenue	669	–	100%
Assets under administration (£m)	**280**	**–**	**100%**

The United Kingdom Broking segment is, very pleasingly, trading in line with expectations. These inaugural figures reflect trading from 20 March 2015 (Vartan acquisition date) until 31 December 2015, a nine month period. The AUA figure of £280m as at 31 December 2015 consists primarily of private client assets. We are pleased with the performance of the business and confident that it will contribute positively to the Group for many years to come.

ASSET MANAGEMENT

	31 December 2015 £'000	31 December 2014 £'000	Change
Revenue	**2,776**	**2,058**	**35%**
recurring revenue	2,478	1,817	36%
non-recurring revenue	298	241	24%
Assets under administration (£m)	**517**	**358**	**44%**

Our Asset Management segment primarily consists of our Guernsey based investment management subsidiary, Ravenscroft Investment Management Limited ("RIML"). RIML offers a thematic investment style across both our discretionary and advisory segregated mandate portfolios. RIML also provides a range of themed fund-of-fund solutions, as well as a blue chip direct equity fund.

This segment has seen impressive revenue growth during the year. Recurring revenues, which reflect the level of underlying AUA, increased by 36% reflecting the AUA increases in the year. The AUAs finished the year 44% higher than in 2014 at £517m (2014: £358m).

The increase in AUA is reflective of RIML's strong investment performance and clear investment style.

CORPORATE FINANCE

	31 December 2015 £'000	31 December 2014 £'000	Change
Revenue	**2,388**	**3,979**	**-40%**
recurring revenue	1,301	996	31%
non-recurring revenue	1,087	2,983	-64%
Assets under administration (£m)	**204**	**159**	**28%**

Corporate Finance's revenue consists of management fees, director fees and financial advisory fees that we collect from our two specialist Channel Island Securities Exchange listed funds; Bailiwick Investments Limited ("BIL") and The Channel Islands Property Fund Limited ("CIPF").

Overall revenues for the year were 40% down on 2014. This was as a result of lower transactional charges, which reflect the timing of deals closing, with 2014 seeing a number of large deals completing.

The recurring revenues for year increased by 31% from £1.0m to £1.3m reflecting increased AUA in both vehicles. This increase reflects both the 2014 fund-raisings, which were in the accounts for a full year this year, as well as a proportion of the 2015 fund-raisings.
The total assets held by the two funds were up from £159m at the start of the year to £204m at the year end, an increase of 28%. Fund-raisings for both the Carey House acquisition in CIPF and the Sandpiper acquisition in BIL are the main reasons for the increase in AUA during 2015.

The non-recurring revenue fell markedly (64%) from the 2014 figure of £2.98m to £1.09m. 2014 saw the completion of a number of large transactions in both vehicles, Jacksons Garages CI Limited in BIL and both 40 Esplanade and Glategny Court in CIPF resulting in the high level of non-recurring revenue. 2015 saw a number of smaller value deals; Guernsey Recycling, Acorn Finance Limited and the fundraising for the Sandpiper transaction in BIL and the acquisition of Carey House in CIPF. Collectively, these transactional revenue figures represent both the fund-raising and the deal completion fees on these transactions.

OUTLOOK

Stock markets suffered a terrible opening to 2016, and we have obviously not escaped unscathed, trading volumes are markedly down on budget and asset valuations also suffered. Having said that, the value of our Huntress fund range have held up very well when compared to their respective market indices. In addition, we are actively working on a number of transactions in Corporate Finance; Sandpiper which officially closed on 19th February 2016 and Liberation House and Windward House which we anticipate completing during quarter two 2016. These two transactions will earn us substantial non-recurring revenue as well as ongoing recurring revenue. We are pursuing additional corporate opportunities that have come to our attention in recent months. We believe that these opportunities, should they come to fruition, will enhance the future performance of the Group significantly. We believe that the year ahead will be another one of great progress for the Group and we are excited about the possibilities and challenges that lie ahead.

Forward-looking statement

These financial statements contain forward-looking statements with respect to the financial condition, results, operations and businesses of the Group. Although the Group believes that the expectations reflected in these forward looking statements are reasonable, we can give no assurance that these expectations will prove to be correct. Such statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this statement. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2015

The Directors present their report on the consolidated financial statements of the Group for the year ended 31 December 2015. The Company was incorporated in Guernsey on 8 March 2005 under the laws of the Bailiwick of Guernsey with company number 42906 and is listed on the Channel Islands Securities Exchange.

Principal Activity
The principal activity of the Company and the Group in the year under review was that of the provision of investment services.

Directors
The Directors of the Company who held office during the current year and to date of signing are as follows:

Current Directors
Andy Stewart
Jon Ravenscroft
Susie Farnon
Dominic Jones
Charlie Roger
Brian O'Mahoney (appointed 1 July 2015)
Stephen Lansdown (appointed 15 September 2015)

Former Directors
Simon Melling (resigned 9 December 2015)

Directors' interests in Ordinary Shares of Ravenscroft Limited
The current Directors had interests in the ordinary share capital of the Company as shown below:

	31 December 2015		31 December 2014	
	No. of shares	Interest	No. of shares	Interest
Jon Ravenscroft*	1,410,000	10.62%	1,569,000	14.83%
Andy Stewart**	1,050,000	7.91%	1,275,000	12.05%
Susie Farnon***	100,000	0.75%	125,000	1.18%
Dominic Jones****	75,000	0.56%	95,000	0.90%
Charlie Roger	227,500	1.71%	147,500	1.39%
Stephen Lansdown*****	3,700,000	27.86%	–	0.00%
Brian O'Mahoney******	76,500	0.58%	–	0.00%
Simon Melling	–	0.00%	98,600	0.93%

* 1,410,000 of these ordinary shares are currently held by TEMK Investments Limited, an investment company whereby the beneficial owners are Mr J and Mrs J Ravenscroft.
** 1,000,000 of these ordinary shares are currently held by bRIDGEr Limited, an investment company whereby the beneficial owner is Mr A Stewart. The remaining 50,000 shares are currently held by Mrs J A Stewart.
*** 100,000 of these ordinary shares are currently held by Little Lucy Limited, an investment company whereby the beneficial owners are Mr D and Mrs S Farnon.
**** 60,000 of these ordinary shares are currently held by Les Teurs Champs Investments Limited (incorporated in Jersey) with the remaining 15,000 being held directly by Mr D Jones.
***** All of these ordinary shares are currently held by Pula Investments Limited, an investment company whereby the beneficial owners are Mr S Lansdown and Mrs M Lansdown.
****** 12,500 of these ordinary shares are currently held by the Trustees of the Powerscourt RATS with the remaining 64,000 being held directly by Mr B O'Mahoney.

Directors' Interests in share options in Ravenscroft Limited

The current Directors had interests in options over ordinary shares in the Company as shown below:

Name of Director	31 December 2015	31 December 2014	Exercise price	Grant date	First possible exercise date	Expiry date
Jon Ravenscroft	–	50,000	90p	25.03.10	25.03.10	25.03.20
Jon Ravenscroft	–	170,000	150p	19.04.11	19.04.11	25.03.20
Jon Ravenscroft	150,000	–	375p	15.10.15	15.10.18	15.10.25
Charlie Roger	50,000	–	375p	15.10.15	15.10.18	15.10.25
Brian O'Mahoney	100,000	–	375p	15.10.15	15.10.18	15.10.25

Simon Melling was awarded 50,000 share options at an exercise price of 375p in the latest issue. These options lapsed on 9 December 2015 when Simon resigned as an employee of the Company.

Significant shareholdings

The Directors have been notified that the following shareholders through Huntress (CI) Nominees Limited had interests of 3% or more in the Company's ordinary share capital as at 30 March 2016 and 31 December 2015.

	30 March 2016		31 December 2015	
	No. of shares	Interest	No. of shares	Interest
Huntress (CI) Nominees Limited as nominee for:				
Jon Ravenscroft	1,410,000	10.62%	1,410,000	10.62%
Andy Stewart	1,050,000	7.91%	1,050,000	7.91%
Pula Investments Limited	3,700,000	27.86%	3,700,000	27.86%

Non-Executive Directors' Remuneration

Each of the Non-Executive Directors has signed a letter of appointment with the Company setting out the terms of their appointment including their annual remuneration. Under the terms of these letters, Andy Stewart, as the Chairman, is entitled to receive annual remuneration of £40k, Susie Farnon as Senior Independent Director and Non-Executive Director is entitled to receive £35k per annum, Dominic Jones as Non-Executive Director of the Company and Ravenscroft Jersey Limited Boards is entitled to receive a total remuneration of £30k per annum and Stephen Lansdown as Non-Executive Director of the Company is entitled to receive a total remuneration of £25k per annum.

In addition to these fees, the Company reimburses all reasonable travel and other incidental expenses incurred by the Non-Executive Directors in the performance of their duties.

All remuneration of the Non-Executive Directors was in the form of fees and does not include any performance related compensation.

Dividend

The Directors recommend the payment of a final dividend of 8p per ordinary share in respect of the year ended 31 December 2015 (2014: 8p). Subject to approval at the Annual General Meeting to be held on 27 April 2016, the dividend will be paid on 10 May 2016.

DIRECTORS' REPORT (continued)
YEAR ENDED 31 DECEMBER 2015

Going concern
The Board has prepared forecasts taking account of the current market conditions which continue to create uncertainty over the level of trading achievable by the Group in that the effect of poor economic conditions on our clients and markets has the potential to reduce the level of securities trading as well as create a general decline in the value of AUA which could adversely influence the overall Group's financial performance.

After making enquiries and reviewing the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months from the date of signing the report. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Directors' and Officers' liability insurance
The Group maintains liability insurance on behalf of the Company's Directors and Officers.

Auditors
The Independent Auditors, PricewaterhouseCoopers CI LLP, have indicated their willingness to continue in office. A resolution will be proposed at the Annual General Meeting to reappoint them as auditors of the Company.

Directors' responsibilities for the financial statements
The Directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with applicable Guernsey law and International Financial Reporting Standards as adopted by the European Union, of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

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

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Directors are aware, there is no relevant audit information of which the Group's Auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Group's Auditors are aware of that information.

The maintenance and integrity of the Group's website is the responsibility of the Directors; the work carried out by the Auditors does not involve consideration of these matters and, accordingly, the Auditors accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Annual General Meeting
The Annual General Meeting of the Company will be held at The Farmhouse, Bas Courtils, St Saviour, Guernsey, GY7 9YF on 27 April 2016 at 11:00 am.

Approved by the Board of Directors on 30 March 2016 and signed on its behalf by:

Brian O'Mahoney
Director

Susie Farnon
Director

The Annual General Meeting of the Company will be held at The Farmhouse, Bas Courtils, St Saviour, Guernsey GY7 9YF on 27 April 2016 at 11 a.m.

CORPORATE GOVERNANCE REPORT
YEAR ENDED 31 DECEMBER 2015

Introduction
The Company is subject to the Finance Sector Code of Corporate Governance issued by the Guernsey Financial Services Commission ("GFSC") that came into effect on 1 January 2012. The Board fully supports high standards of corporate governance and it is the Directors' opinion that throughout the year to 31 December 2015 the Company has complied fully with the Principles and Guidance set out in the Finance Sector Code of Corporate Governance.

The role of the Board
The Directors collectively bring a broad range of relevant business experience to the Board and this is considered essential for the effective management of the Company. The Board is responsible for both the strategy and the major operational issues affecting the Company. It reviews financial performance, regulatory compliance, monitors key performance indicators and will consider any matters of significance to the Group including but not limited to corporate activity. Certain matters are reserved for decision by the Board. The Board also delegates certain authorities to Committees of the Board; the Board reviews the activities and decisions of these Committees at each quarterly meeting. The day-to-day management of the Company's business is delegated to the Executive Directors.

The composition of the Board
As at 31 December 2015 the Board consisted of three Executive and four Non-Executive Directors. The Directors contribute a range of complementary skills, knowledge and experience. Details of the individual Directors and their biographies are set out on pages 4 & 5. On 1 July 2015 the Board appointed Brian O'Mahoney as an Executive Director. Subsequently on 15 September 2015 the Board appointed Stephen Lansdown as an additional Non-Executive Director. On 9 December 2015 Simon Melling resigned as an Executive Director.

The composition of the Board ensures that no single individual or group of individuals is able to dominate the decision making process.

Roles of Chairman and Group Chief Executive Officer
The roles of the Chairman and Group Chief Executive Officer are separated, ensuring a clear division of authority and responsibility at the most senior level within the Group.

Chairman
The Non-Executive Chairman is Andy Stewart. He is responsible for the leadership of the Board and ensuring the effective running and management of the Board. He is also responsible for the Board's oversight of the Group's affairs, which includes ensuring that the Directors receive accurate, timely and clear information, ensuring the effective contribution of the Non-Executive Directors and implementing effective communication with Shareholders.

Group Chief Executive Officer, Chief Executive Officer, Channel Islands & Group Chief Operating Officer & Finance Director
The Group Chief Executive Officer is Jon Ravenscroft. His responsibilities include the progress and development of objectives for the Group, as well as overseeing the executive leadership of the Group and ensuring the continuing effective communication with Shareholders.

Jon is supported in his role by Charlie Roger, Chief Executive Officer of the Channel Islands and Brian O'Mahoney as Group Chief Operating Officer & Finance Director. Together, Charlie and Brian are responsible for day-to-day oversight of operations, managing the Group's risk exposure, implementing the Board's decisions and communicating with regulatory bodies.

Non-Executive Directors
As well as the Non-Executive Chairman, the Board as at 31 December 2015 had a further three Non-Executive Directors. The Non-Executive Directors bring judgement, knowledge and relevant experience to the Board.

The Board is of the opinion that each Non-Executive Director acts in an objective manner. The Board's opinion was determined by considering for each Non-Executive Director whether they are independent in character and judgement, their conduct at Board and Committee meetings, whether they, or any other Director, has any interests that may give rise to an actual conflict of interest and whether they act in the best interests of the Company and its Shareholders at all times. A conflicts of interest policy and register is maintained by the Head of Group Compliance and the Company Secretary.

Senior Independent Director
In accordance with the Company's Articles of Incorporation Susie Farnon stood for re-election as a Director at the AGM on 23 April 2015 and thereafter was re-elected as the Company's Senior Independent Director.

Election and re-election of Directors
In accordance with the Company's Articles of Incorporation, the Directors are obliged to retire by rotation and are eligible for re-election at the third Annual General Meeting ("AGM") after

their initial election. Any Director appointed by the Board holds office only until the next AGM, when they are eligible for election. Andy Stewart is due to retire at the forthcoming AGM and will stand for re-election. Brian O'Mahoney was appointed as a Director by the Board on 1 July 2015 and Stephen Lansdown was appointed as a Director by the Board on 15 September 2015 therefore they will both stand for re-election at the forthcoming AGM upon the recommendation of the Directors.

Board meetings and information to the Board

The Board has regular scheduled Board meetings and ad-hoc meetings as and when deemed necessary. During the year there were seven scheduled Board meetings and one ad-hoc Board meeting, which were called to deal with specific time-critical business matters or to deal with other operational issues.

Before each Board meeting the Directors receive comprehensive papers and reports on the issues to be discussed at the meeting. In addition to Board papers, Directors are provided with relevant information between meetings. The Group maintains a conflicts of interest policy and register, and the Board have put into place a procedure in order to address situations where conflicts of interest arise. As part of this process the Directors prepare a list of other positions held within the industry and all other relevant situations which may need notification or authorisation, either in relation to the Director concerned or any connected persons which must be reported to the Company Secretary. This register is reviewed by the Board at each meeting.

Attendance at scheduled Board meetings

	Board Meeting
Total number of meetings in the year	**8**
Andy Stewart	7
Jon Ravenscroft	8
Susie Farnon	8
Simon Melling (resigned 9 December 2015)	8
Dominic Jones	8
Charles Roger	8
Brian O'Mahoney (appointed 1 July 2015)	3
Stephen Lansdown (appointed 15 September 2015)	3

Please note that due to differences between the timing of Board and Committee Meetings being held and Stephen Lansdown's and Brian O'Mahoney's appointments to the Board during the year, the above reflects full attendance by these Directors to all scheduled meetings during their term of appointment.

Attendance at scheduled Committee meetings

	Audit Committee	Nomination Committee	Remuneration Committee
Total number of meetings in the year	**3**	**2**	**2**
Andy Stewart	3	2	2
Susie Farnon	3	2	2
Dominic Jones	3	2	2
Stephen Lansdown (appointed 15 September 2015)	–	–	1

CORPORATE GOVERNANCE REPORT (continued)
YEAR ENDED 31 DECEMBER 2015

Support to the Board
Any Director wishing to do so may take independent professional advice at the expense of the Company. All Directors are able to consult with the Company Secretary who is responsible for ensuring that Board procedures are followed.

Board evaluation
A Board evaluation exercise is undertaken annually following the introduction of the Finance Sector Code of Corporate Governance on 1 January 2012. The last evaluation was undertaken in March 2015. This evaluation sought to identify whether the Board demonstrates sufficient collective skills, expertise, independence and knowledge of the Company, and each Director demonstrates the commitment required for the Company to achieve its objectives. The performance of the Chairman was evaluated by the other Directors at this meeting.

Board committees
The Board has a supporting committee structure in line with the Finance Sector Code of Corporate Governance. The Board has three committees, namely: the Audit Committee, the Nominations Committee and the Remuneration Committee, as described below. Copies of each Committees' Terms of Reference, which are regularly reviewed by the Board and clearly define the responsibilities and duties are available from the Group Company Secretary upon request or may be downloaded from the Group's website www.ravenscroft.gg.

Audit Committee
The Audit Committee comprises all Non-Executive Directors. Susie Farnon is the chairman of the committee. The committee usually meets at least three times a year. Other Directors, members of staff and the external Auditors are invited to attend these meetings, as deemed appropriate.

The committee has the following responsibilities:

- reviewing and monitoring the Group's systems of risk management, regulatory compliance and internal financial reporting processes and controls;
- the assessment of the Group's financial risks and mitigation plans;
- review of the Group's Financial Statements, Reports and Announcements and the accounting policies that underlie them;
- the recommendation to the Board on the appointment and remuneration of the external Auditors;
- the monitoring of the independence of the Group's external Auditor and the establishment of a policy for the use of the Auditors for non-audit work; and
- monitoring the need for an internal audit resource.

The Committee reports to the Board on all these issues identifying any matters in respect of which it considers that action or improvement is required and making recommendations as to the steps to be taken as necessary.

In discharging their duties during the year the Committee undertook the following tasks:

- reviewed the Group's Interim and Annual Results Announcements and the Annual Report and Accounts, respectively. On both occasions, the Committee received reports from the Auditors identifying any accounting or judgmental issues requiring attention thereon;
- reviewed reports from management which addressed the appropriateness of the production of the Financial Statements on a going concern basis;
- reviewed reports from the Group Chief Operating Officer & Finance Director on identified accounting or judgmental issues;
- at each meeting reviewed both the risk management process operated by Group management designed to identify the key risks and how those risks were being managed;
- at each meeting received reports from the Group Head of Compliance on the compliance activities for that respective period together with monitoring plans;
- considered, reviewed and approved to the Board the Supervisory Review and Evaluation Process and the Capital Adequacy Rules that are required by the Company's regulator, the GFSC;
- considered reports on the issue of research notes, business continuity planning, accounting policies and on segmental reporting;
- considered reports on a review of the governance and risk management process within the Group; and
- considered the level of audit fees and non-audit fees and the provisions of such services.

The committee also reports to the Board on the Group's financial results, having examined the accounting policies on which they are based and ensured compliance with relevant accounting standards. In addition, it reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external Auditors. To this end, the Audit Committee has stated as an objective that fees paid to the Auditors for non-audit work should not exceed the fees for audit work, without prior approval.

Due to the size of the Group, the monitoring of activities by the compliance department and the hands-on approach by the Executive Directors, the Board does not feel the need to establish a dedicated internal audit function at the present time. However, the Board has commissioned a rolling risk review process, which covers the principle areas of the business. This has been carried out by Grant Thornton Limited and the Group continues to evaluate and implement their recommendations.

Audit Committee's assessment of the Auditors' independence and quality

The Audit Committee and the external auditors, PricewaterhouseCoopers CI LLP, have safeguards in place to avoid the possibility that the Auditors' objectivity and independence could be compromised. These safeguards include the Auditors' report to the Audit Committee on the actions they take to comply with the professional and regulatory requirements and best practice designed to ensure their independence from the Group.

The overall performance and the independence of the Auditors is reviewed annually by the Audit Committee taking into account regular dealings with the Auditors, the views of management, the cost effectiveness and maintenance of objectivity.

The annual appointment of the Auditors by shareholders at the Annual General Meeting is a fundamental safeguard to auditor independence, but beyond this, appropriate consideration is given to whether additional work performed by the Auditors may be appropriate for sound commercial and practical reasons, including confidentiality. Examples of work that would fall into this category include regulatory advice, taxation services and financial due diligence work. The Audit Committee also gives due consideration to appointing other firms where it is felt that the impact of an assignment may compromise the independence of the Auditors.

Remuneration Committee

Membership of the Remuneration Committee is limited to Non-Executive Directors. The current members are Andy Stewart, Susie Farnon, Dominic Jones and Stephen Lansdown. Susie Farnon is the chairman of the committee. The committee meets as and when required in order to ensure that it discharges its duties in determining the remuneration policy for the Group.

The main duties of the Committee are:

- to determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors of the Company or such other members of the senior management as necessary;
- within the terms of the agreed policy, determine the total individual remuneration package of each Executive Director including where appropriate, basic salaries, annual performance awards, share and option-based incentives;
- review the remuneration packages of the senior management;
- consider remuneration schemes to attract and retain employees and where appropriate determine the terms and allocations for any performance related share or option schemes operated by the Company; and
- review the ongoing appropriateness and relevance of the remuneration policy.

The Group has a policy to attract and retain individuals of the highest calibre and reward them such that they are motivated to grow the value of the business and to maximise returns to shareholders. This policy is as relevant to the Executive Directors as it is to the senior management and employees, and as such the rewards of Executive Directors are aligned with those of shareholders.

The Group operates in an arena where it is common practice to pay significant variable remuneration. However, the Group's policy is to pay large rewards only where it can be demonstrated that individual and team performances have increased the profitability of the business and the return to shareholders. This is operated through a formula-based profit sharing arrangement for all staff and Directors. These profit sharing arrangements compensate for basic salaries, which are capped at relatively modest levels.

Nominations Committee

Membership of the Nominations Committee comprises all the Non-Executive Directors. The current members are Andy Stewart as a chairman, Susie Farnon, Dominic Jones and Stephen Lansdown.

The Committee is responsible for leading the process for all Board appointments within the Group, and in this context it should:

- regularly review the structure, size and composition of the Boards within the Group;
- be responsible for identifying and nominating new Board members within the Group;
- review annually the time required from Non-Executive Directors; and
- ensure Non-Executive appointments to the Board receive a formal induction and a letter of appointment clearly identifying what is expected of them.

CORPORATE GOVERNANCE REPORT (continued)
YEAR ENDED 31 DECEMBER 2015

Management Committees

To assist the Executive Directors and senior management in the discharge of their duties, the Company has a number of management committees.

Executive Committee

The Committee, which is chaired by the Chief Executive Officer, Channel Islands, is responsible for overseeing the effective & efficient running of both the Channel Islands business' and Vartan Ravenscroft in Peterborough. The committee meets on a quarterly basis. The members of the Committee are the Group Chief Executive Officer, Managing Director of Ravenscroft Investment Management Limited, Chief Executive Officer of Ravenscroft Jersey Limited, Head of Group Compliance, Group Chief Operating Officer & Finance Director and the Director of Stockbroking. Vartan Ravenscroft's interests are represented at this committee by both the Group Chief Executive Officer, and the Managing Director of Ravenscroft Investment Management Limited, each of whom are also executive Directors of Vartan Ravenscroft.

Risk & Compliance Committee

The Committee is chaired by the Head of Group Compliance and meets on a quarterly basis to monitor and review risk management and regulatory compliance of the business. Its overall purpose is to assist the Group Chief Executive Officer, Chief Executive Officer, Channel Islands, Group Chief Operating Officer & Finance Director, Group Company Secretary and the Head of Group Compliance in the discharge of their responsibilities for the Group wide management of risk and regulatory compliance. The Members of the Committee are Chief Executive Officer, Channel Islands, Group Chief Operating Officer & Finance Director, Group Company Secretary, Head of Group Compliance, Group Financial Controller, and Chief Executive Officer of Jersey. This Committee reports to the Audit Committee. Vartan Ravenscroft's interests are represented at this committee by both the Group Company Secretary and the Head of Group Compliance, each of whom attend the Vartan Ravenscroft quarterly board meetings and have oversight on the company from a corporate governance and risk and compliance function.

Shareholder relations

The Company places a great deal of importance on communicating with its Shareholders. As such all Shareholders are encouraged to attend the AGM scheduled to be held on 27 April 2016, if possible, at which the Board will be available to address Shareholders' questions. The Notice of the AGM can be found on page 64 of this Report. Shareholders are also able to contact the Company directly through its dedicated email address (IR@ravenscroft.gg), by correspondence addressed to the Group Company Secretary or by directly contacting the Senior Independent Director, Susie Farnon. The Group Chief Executive Officer and Chairman are also in regular contact with the Company's major investors throughout the year and are responsible for ensuring that Shareholders' views are communicated to the Board as a whole.

Corporate Social Responsibility

The Ravenscroft Group is committed to being a socially responsible and sustainable business. To us this means minimising as far as possible any negative impact on our local economy, the environment and society.

This extends beyond being 'green' and is about our stewardship of not only our financial capital, but also our human and intellectual capital through good corporate governance and recognising the responsibility we have to our community to get involved and assist wherever we can.

The Group is passionate about providing financial support to a wide range of organisations through not only our various sponsorships in sports, culture and education but also by supporting a number of different local charities and organisations via 'The Ravenscroft Charitable Trust'.

Over the last ten years we have contributed by way of sponsorship and donations to local charities and other community activities including; the Priaulx Library and their Photographic Exhibition, Help a Guernsey Child, The Channel Islands Inter-insular Golf Tournament, Floral Guernsey and Magical days in the Park, Cycle Safe, the 'Angel of the Year' award in the 'Pride of Jersey Awards', and believe that through this support, hundreds of islanders have benefited.

Internal control and risk management

The Board is responsible for identifying, evaluating and managing significant risks faced by the Group. It acknowledges that it is responsible for the Group's system of internal controls and for setting the control framework including financial, operational, compliance controls and risk management systems along with reviewing the effectiveness of these systems throughout the year.

The system of internal controls are designed to manage rather than eliminate the risk of failure to achieve business objectives and as such they can only provide reasonable and not absolute assurances against material misstatement or loss.

The Board, through the Audit Committee and Risk and Compliance Committee, regularly review the effectiveness of the system of internal controls. The Audit Committee regularly assesses the status of the Group's internal control framework and also considers how risks are identified, monitored, mitigated and reported throughout the Group. Following these reviews, the Audit Committee agreed that the internal control framework continues to provide reasonable assurances that appropriate internal controls are in place. Accordingly, the Board confirms that throughout the year ended 31 December 2015 and up to the approval date of these Financial Statements, there had been an on-going process of identifying, evaluating and managing significant risks faced by the Group.

This report was approved by the Board of Directors on 30 March 2016 and signed on its behalf by:

Brian O'Mahoney
Director

Susie Farnon
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAVENSCROFT LIMITED
YEAR ENDED 31 DECEMBER 2015

Report on the financial statements
We have audited the accompanying consolidated financial statements (the "financial statements") of Ravenscroft Limited which comprise the Consolidated Statement of Financial Position as of 31 December 2015 and the Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements
The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the requirements of Guernsey law. The Directors are also 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.

Auditors' responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements give a true and fair view of the financial position of the Group as of 31 December 2015, and of the financial performance and cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008 and The Protection of Investors (Bailiwick of Guernsey) Law, 1987.

Furthermore we have examined the Statement of Financial Resources set out on page 55. In our opinion the financial resources requirement specified in Rule 2.2.5 of The Licensees (Capital Adequacy) 2010 Rules has been satisfied.

Report on other legal and regulatory requirements
We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises the Business & Financial Highlights, Company Information, The Board of Directors, Chairman's Statement, Business and Financial Review, Corporate Governance Report, Notice of Annual General Meeting, Summary Financial Information, Statement of Financial Resources and Directors' Report.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 262 of The Companies (Guernsey) Law, 2008 and for no other purpose. We do not, in giving this opinion, accept or 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.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey
Channel Islands

30 March 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 £'000	31 December 2014 £'000
Revenue	2	**11,409**	**11,373**
Cost of sales		(1,887)	(2,836)
Gross profit		**9,522**	**8,537**
Administrative expenses	4	(7,328)	(6,193)
Operating profit		**2,194**	**2,344**
Finance income		1	4
Finance costs		(3)	(1)
Accelerated share based payment expense	5	(2,846)	–
(Loss) / profit before taxation		**(654)**	**2,347**
Income tax expense	2, 7	(71)	(3)
(Loss) / profit for the financial year and total comprehensive income		**(725)**	**2,344**
Attributable to:			
Equity holders of the Company		(793)	2,344
Non-controlling interests	12	68	-
		(725)	**2,344**

Earnings per share			
Basic	8	(6.70p)	21.81p
Diluted	8	(6.70p)	20.65p

Earnings per share – Excluding the accelerated share based payment expense			
Basic		18.18p	21.81p
Diluted		18.18p	20.65p

All amounts shown in the consolidated financial statements derive from continuing operations of the Group.

The notes on pages 31 to 61 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 £'000	31 December 2014 £'000
Non-current assets			
Goodwill	11	3,115	-
Other intangible assets	9	399	395
Property, plant and equipment	10	235	265
		3,749	**660**
Current assets			
Trading investments - long positions	13	63	106
Trade and other receivables	14	9,642	8,816
Cash and cash equivalents	15	2,065	3,838
		11,770	**12,760**
Total assets		**15,519**	**13,420**
Current liabilities			
Trading investments - short positions	13	-	3
Trade and other payables	17	5,854	7,291
Tax payable	7	304	146
Bank overdraft	16	9	77
		6,167	**7,517**
Net current assets		**5,603**	**5,243**
Total assets less current liabilities		**9,352**	**5,903**
Net assets		**9,352**	**5,903**
Equity			
Called up share capital	19	133	106
Share premium account		6,972	546
Reserves		2,121	5,251
Non-controlling interests	12	126	-
Total Equity		**9,352**	**5,903**

The consolidated financial statements were approved by the Board of Directors on 30 March 2016 and signed on its behalf by:

Brian O'Mahoney
Director

Susie Farnon
Director

The notes on pages 31 to 61 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 £'000	31 December 2014 £'000
Cash flows from operations			
Operating profit		2,194	2,344
Adjustments for:			
Depreciation of property, plant and equipment	10	98	103
Amortisation of intangible assets	9	135	102
Impairment charge on intangible assets	9	17	–
Share based payment expense	4	99	89
Market making adjustments		(77)	–
Operating cash flows before movements in working capital		**2,466**	**2,638**
Decrease / (increase) in trading investments		40	(62)
(Increase) / decrease in receivables		(495)	2,349
(Decrease) in payables		(1,934)	(2,549)
Cash generated from operations		**77**	**2,376**
Interest paid		(3)	(1)
Taxation paid		(95)	–
Net cash (used by) / generated from operating activities		**(21)**	**2,375**
Cash flows from investing activities			
Interest received		1	4
Purchase of subsidiary	11	(875)	–
Purchase of intangible assets	9	(156)	(144)
Purchase of property, plant and equipment	10	(68)	(38)
Net cash used in investing activities		**(1,098)**	**(178)**
Cash flows from financing activities			
Acquisition of own shares subsequently held in treasury		–	(37)
Disposal of own shares held in treasury		–	22
Issue of new share capital		1,540	473
Dividends paid		(2,126)	(992)
Net cash used in financing activities		**(586)**	**(534)**
Net (decrease) / increase in cash and cash equivalents		**(1,705)**	**1,663**
Bank and cash equivalents at the beginning of the year		**3,838**	**2,098**
Trading overdraft at the beginning of the year		**(77)**	**–**
Cash and cash equivalents at the beginning of the year		**3,761**	**2,098**
Bank and cash equivalents at the end of the year		**2,065**	**3,838**
Trading overdraft at the end of the year		**(9)**	**(77)**
Cash and cash equivalents at the end of the year		**2,056**	**3,761**

The notes on pages 31 to 61 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2015

	Notes	Called up share capital £'000	Share premium account £'000	Reserves £'000	Total attributable to equity holders of the Company £'000	Non-Controlling Interests £'000	Total £'000
At 1 January 2014		**101**	**78**	**3,837**	**4,016**	**–**	**4,016**
Total comprehensive income for the year		–	–	2,293	2,293	–	2,293
Own shares purchased in the year		–	–	(37)	(37)	–	(37)
Own shares sold in the year		–	–	19	19	–	19
Profit on disposal of own shares		–	–	3	3	–	3
Own shares issued in the year		5	468	–	473	–	473
Credit to equity for equity-settled share based payments		–	–	89	89	–	89
Dividends paid		–	–	(953)	(953)	–	(953)
At 31 December 2014		**106**	**546**	**5,251**	**5,903**	**–**	**5,903**
Total comprehensive income for the year		–	–	(793)	(793)	68	(725)
Own shares purchased in the year	21	–	–	(37)	(37)	–	(37)
Own shares sold in the year	21	–	–	24	24	–	24
Charge to reserves on exercise of share based payment schemes		–	–	(297)	(297)	–	(297)
NCI on acquisition of subsidiary	12	–	–	–	–	58	58
Own shares issued in the year		27	6,426	–	6,453	–	6,453
Credit to equity for share based payments	20	–	–	99	99	–	99
Dividends paid		–	–	(2,126)	(2,126)	–	(2,126)
At 31 December 2015		**133**	**6,972**	**2,121**	**9,226**	**126**	**9,352**

The notes on pages 31 to 61 form part of these financial statements.

1. General information

Ravenscroft Limited (the “Company”) and its subsidiaries (together, the “Group”) provide private client and institutional broking services in Guernsey, Jersey and the UK along with market making, private client investment management, institutional fund management and corporate finance services. During the year the Group acquired a 75% majority stake in A Vartan Limited, an established stockbroking firm in the UK.

The Company was registered in Guernsey on 8 March 2005, is listed on the Channel Islands Securities Exchange and licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987.

2. Accounting policies

Basis of accounting

The consolidated financial statements of the Group have been prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Company has prepared consolidated financial statements complying with Section 244 of The Companies (Guernsey) Law 2008, as a result there is no requirement to prepare individual financial statements for the Company on a stand-alone basis.

These financial statements have been prepared on a historical cost basis except where stated otherwise below. The methods used to measure fair value are further disclosed in Note 24.

Accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are outlined later in these Notes. In particular the fair value of the goodwill as outlined in Note 11 and share based payment option schemes as outlined in Note 20.

Going concern

The Board has prepared forecasts taking account of the current market conditions which continue to create uncertainty over the level of trading achievable by the Group in that the effect of poor economic conditions on our clients and markets has the potential to reduce the level of securities trading as well as create a general decline in the value of AUA which could adversely influence the overall Group’s financial performance.

After making enquiries and reviewing the Group’s forecasts and projections, taking account of reasonably possible changes in trading performance, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months from the date of approval of these financial statements. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

Adoption of new and revised standards

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

Standard	*Summary of change*	*Impact on the group*	*Date of anticipated adoption by group*
IFRS 9 - 'Financial instruments'	This change addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the business model and the contractual cash flow characteristics of the financial asset. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted subject to EU endorsement.	The Group is yet to assess IFRS 9's full impact.	1 January 2018
IFRS 15 - 'Revenue from contracts with customers'	This change deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted subject to EU endorsement.	The Group is assessing the impact of IFRS 15.	1 January 2017

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company, entities controlled by the Company (its subsidiaries as disclosed in Note 12), and employee benefit trusts (as disclosed in Note 20) which all have co-terminus period ends. Control is achieved when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the investee entity so as to benefit as a result.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective point of acquisition or up to the effective date of disposal, as appropriate.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

Segment reporting

In identifying its operating segments, the Board (as the chief operating decision maker) generally follows the Group's service lines, which represent the main services provided by the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Board.

Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in Sterling pounds (£) (rounded to the nearest thousand pounds), as this is the currency where the Company and its subsidiaries are incorporated and predominantly trade and therefore the Group's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date. Gains and losses arising during the year on transactions denominated in foreign currencies are treated as normal items of income and expenditure in the consolidated statement of comprehensive income.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand pounds unless otherwise stated.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts.

Revenue comprises fees for investment management and corporate finance advisory services which are taken to the consolidated statement of comprehensive income when the services have been performed and the deal has become unconditional. Revenue also comprises commission income receivable, in respect of stockbroking activities which are accounted for at trade date. In addition, revenue is received in relation to the provision of directorship services which are accounted for in accordance with the contractual arrangements in place.

Taxation

The tax expense for the period comprises current and deferred tax. The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company and its Guernsey subsidiaries are taxed at the standard Guernsey rate of income tax of 0%. Ravenscroft Jersey Limited is taxed in Jersey at the rate applicable to financial services companies of 10%. A Vartan Limited is taxed at the standard rate of corporation tax in the UK being 20%. Further details of the tax charges recorded in the financial statements can be found in Note 7.

The Company and its Guernsey subsidiaries are required to deduct or account for tax at the difference between the tax suffered by the Company and the shareholders' individual rate of 20% in respect of dividends and pay that tax over to the Director of Income Tax in respect of Guernsey resident individual shareholders.

Deferred Tax

Deferred income 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 in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

Deferred Tax continued
The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Operating leases
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

Business combinations
The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Accounting for non-controlling interests
The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. For the non-controlling interests in A Vartan Limited, the Group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets.

Impairment of assets
Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on demand deposits, and other short-term highly liquid investments that have original maturities of 3 months or less which are subject to an insignificant risk of changes in value.

Trading Overdraft

Trading account overdraft balances used to finance the acquisition of certain investments held by the Company in connection with Market Making Services provided. Trading account overdrafts are shown separately in current liabilities in the consolidated statement of financial position.

Trade and other receivables

Trade and other receivables are measured at amortised cost as adjusted for credit losses / impairments.

Investments and financial assets or liabilities

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Investments are recognised and derecognised on trade date when the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value which are described below.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL) and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets at fair value through profit or loss

Financial assets are classified as FVTPL when the financial asset is either held for trading or it is designated as FVTPL.

Trading investments pertain to investment securities and can comprise both long and short positions and are initially measured at fair value excluding transaction costs. Subsequently, and at each reporting date, these investments are measured at their fair values, with the resultant gains and losses arising from changes in fair value being taken to the consolidated statement of comprehensive income.

Financial assets are classified as financial assets at FVTPL where the Group acquires the instrument principally for the purpose of selling in the near term, the financial asset is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit taking as well as all derivatives that are not designated and effective hedging instruments. Financial assets at fair value through profit or loss are stated at fair value, with any resulting gain or loss recognised in the consolidated statement of comprehensive income. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

De-recognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

Property, plant and equipment
Property, plant and equipment are stated at historical cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its estimated useful life as follows:

Fixtures and fittings	Three years
Office equipment	Three years
Communications equipment	Three years
Leasehold improvements	Ten years

The carrying values of property, plant and equipment are subject to annual review and any impairment is charged to the Consolidated Statement of Comprehensive Income.

Intangible assets
Goodwill
Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill has an indefinite useful life and is not subject to amortisation but it is assessed for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Other Intangible Assets
Intangible assets are stated at cost less provisions for amortisation and impairments. Amortisation is provided at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its estimated useful life as follows:

Purchased software and software development	Five years
Software licences	Life of the licence

The carrying values of intangible assets are subject to annual review and any impairment is charged to the Consolidated Statement of Comprehensive Income.

An internally generated intangible asset arising from the Group's software development is recognised only if all of the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Where no intangible asset can be recognised, software development expenditure is recognised as an expense in the period in which it is incurred.

The other intangible asset recorded in the Consolidated Statement of Financial Position relate specifically to the capitalised costs from the development of a new software system. This system is modular in nature and therefore as and when each module of the system is fully developed and commissioned the capitalised cost associated with that module will commence being amortised.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are measured at amortised cost.

Borrowings
Interest bearing loans and receivables are recognised initially at fair value, net of transaction costs incurred. They are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Bad debt policy
The Group regularly reviews all outstanding balances including market and client receivables referred to in Note 23 and provides for amounts it considers irrecoverable.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle a present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one of more uncertain future events. It can also be a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Client money

The Group holds money on behalf of its clients in accordance with the client money rules of the GFSC, the JFSC and the FCA through its wholly owned non-trading subsidiary, Huntress (CI) Nominees Limited. Such money and the corresponding liabilities to clients are not shown on the face of the statement of financial position as the Company or its subsidiaries have no beneficial entitlement. The net return received by the Group on managing client money is included within revenue.

Broker settlement balances

The Group is involved, as principal, in the purchase and simultaneous commitment to sell securities between third parties. Such trades are only complete when both sides of the deal are settled, and so the Group is exposed to risk in the event that one side remains unmatched. The gross exposure to this risk is presented within the trade debtors and creditors as appropriate, though these would be expected to settle during the normal course of trading. Receivable amounts are classified as trade and other receivables held at amortised cost and payable amounts are classified as trade and other payables measured at amortised cost.

Employee benefits

Liabilities for salaries that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as accrued expenses in the Consolidated Statement of Financial Position.

The Group operates share-based compensation benefits via the Employee Share Option Plan - 2016 and 2016 Share Incentive Scheme, under which the Group receives services from employees as consideration for equity instruments (shares) of the Company. The fair value of the employee services received in exchange for the grant of the shares is expensed on a straight-line basis over the vesting period based on the Group's estimate of the value of the shares that will eventually vest. Information relating to these schemes is set out in Note 20.

Where an equity–settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non–vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

Equity instruments

Ordinary shares are classified as equity. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Where any Group company purchases the Company's equity instruments, for example as the result of a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Ravenscroft Employee Benefit Trust are disclosed as treasury shares and deducted from contributed equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Earnings per share
Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares,
- by the weighted average number of ordinary shares outstanding during the financial year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares from the Group's existing employee benefit schemes.

3. Segment information

The Board currently identifies the Group's reportable segments as follows:

- The Channel Islands Broking segment provides private client and institutional broking services along with market making services in Guernsey and Jersey;
- The United Kingdom Broking segment provides private client and institutional broking services in the United Kingdom;
- The Asset Management segment provides private client investment management and institutional fund management services;
- The Corporate Finance segment provides corporate finance services in Guernsey and Jersey.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss. Finance income, finance costs and income taxes are managed on a location basis.

Revenues, assets and liabilities which are not directly attributable to the business activities of any operating segment are classified as unallocated. In the financial period under review, this applies to the Group's nominee company, Huntress (CI) Nominees Limited, and services company, Ravenscroft Services Limited. Non-current assets for this purpose consist of intangible assets and property, plant and equipment.

Operating segment information for the period ended 31 December 2015:

	Broking - Channel Islands £'000	Asset Management £'000	Corporate Finance £'000	Unallocated* £'000	Channel Islands Total £'000	Broking - United Kingdom £'000	Consolidated £'000
Revenue	4,798	2,776	2,388	–	9,962	1,447	11,409
Operating profit	**854**	**828**	**172**	**–**	**1,854**	**340**	**2,194**
Finance income	1	–	–	–	1	–	1
Finance costs	–	–	(3)	–	(3)	–	(3)
Share based payment expense	–	–	(2,846)	–	(2,846)	–	(2,846)
Profit / (loss) before tax	**855**	**828**	**(2,677)**	**–**	**(994)**	**340**	**(654)**
Tax	(3)	–	–	–	(3)	(68)	(71)
Profit / (loss) for the year	**852**	**828**	**(2,677)**	**–**	**(997)**	**272**	**(725)**
Segment assets	**11,091**	**867**	**283**	**2,377**	**14,618**	**901**	**15,519**
Segment liabilities	**(3,614)**	**(119)**	**(648)**	**(1,330)**	**(5,711)**	**(456)**	**(6,167)**

Operating segment information for the period ended 31 December 2014:

	Broking - Channel Islands £'000	Asset Management £'000	Corporate Finance £'000	Unallocated* £'000	Channel Islands Total £'000	Broking - United Kingdom £'000	Consolidated £'000
Revenue	5,353	2,058	3,962	–	11,373	–	11,373
Operating profit	**914**	**464**	**966**	**–**	**2,344**	**–**	**2,344**
Finance income	2	2	–	–	4	–	4
Finance costs	(1)	–	–	–	(1)	–	(1)
Profit / (loss) before tax	**915**	**466**	**966**	**–**	**2,347**	**–**	**2,347**
Tax	(3)	–	–	–	(3)	–	(3)
Profit for the year	**912**	**466**	**966**	**–**	**2,344**	**–**	**2,344**
Segment assets	**7,699**	**1,015**	**521**	**4,185**	**13,420**	**–**	**13,420**
Segment liabilities	**(4,928)**	**(68)**	**(619)**	**(1,902)**	**(7,517)**	**–**	**(7,517)**

*Unallocated assets and liabilities include fixed assets and accrued expenses that are currently held centrally and as such are not allocated to the business segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

4. Material Expense items

Administrative Expenses

	31 December 2015 £'000	31 December 2014 £'000
Audit & accountancy	115	104
Bank charges	35	34
Communications	92	89
IT costs	305	245
Legal & professional fees	540	383
Marketing	236	214
Depreciation & amortisation	233	205
Premises	415	427
Information research	202	179
Recruitment and training	121	57
Personnel costs	4,441	3,759
Share based payment expense*	99	89
Sundry expenses	61	78
Travel and entertaining	433	330
Total expenditure	**7,328**	**6,193**

*This charge relates to the new share based payment employee schemes outlined in Note 20.

5. Accelerated share based payment expense

In 2015, the Board resolved to award shares and vest options early under the existing Long Term Incentive Plan-2010 ("LTIP-2010") and Long Term Incentive Plan-2013 ("LTIP-2013") employee schemes. The purpose of which was to facilitate the increased investment by Pula Investments Limited in the Company to 27.86%.

Following this transaction it was decided that as all share options and share appreciation rights awarded under the existing LTIP schemes had been exercised new replacement schemes would be proposed for Shareholder approval. Details of these schemes can be found in Note 20.

As a result of issuing the shares to satisfy the obligations of the LTIP-2013 scheme the Company incurred a one-off net charge of £2.85m representing the charge incurred from issuing the shares at the then current share price of £3.50 less the provision held on the Company's reserves.

6. Auditors' remuneration

	31 December 2015 £'000	31 December 2014 £'000
Fees payable to the Company's Auditors for the audit of the Group's annual financial statements	36	24
Fees payable to the Auditors for the audit of the Company's subsidiaries	44	25
Total audit fees	**80**	**49**
Other services:		
Half year review	16	15
US IRS Qualified Intermediary compliance	56	40
Total non-audit fees	**72**	**55**
	152	**104**

Included, in the current year audit fees payable is an amount of £15k relating to additional costs for the prior year audit of the Group's consolidated accounts and Ravenscroft Jersey Limited Financial Statements. In addition, in the year the Group paid PricewaterhouseCoopers LLP an amount of £7k in connection with professional services provided to the Ravenscroft Investments PCC Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

7. Taxation

Tax payable

	31 December 2015 £'000	31 December 2014 £'000
Income tax payable		
Tax charge borne by subsidiaries operating in Jersey	6	3
UK corporation tax charge	153	–
Total income tax payable	**159**	**3**
Other taxes payable		
PAYE tax payable	145	121
Witholding tax	–	22
Total other tax payable	**145**	**143**
	304	**146**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31 December 2015 £'000	31 December 2014 £'000
Guernsey Income Tax at 0% based on profit for the period	–	–
Tax charge borne by subsidiaries operating in Jersey	3	3
UK corporation tax charge	68	–
Total income tax expense	**71**	**3**

8. Earnings per share

	31 December 2015 £'000	31 December 2014 £'000
Earnings:		
Earnings for the purpose of basic earnings per share (net (loss)/profit attributable to equity holders of the parent)	(793)	2,344
Earnings for the purposes of diluted earnings per share	**(793)**	**2,344**

Number of shares:	**No.**	**No.**
Weighted average number of shares for the purpose of basic earnings per share	11,834,648	10,511,138
Basic EPS (pence)	**(6.70)**	**21.81**
Effect of dilutive potential of ordinary shares	–	588,573
Weighted average number of shares for the purposes of diluted earnings per share	**11,834,648**	**11,099,711**
Diluted EPS (pence)	**(6.70)**	**20.65**

The dilution in 2014 arose from the potential exercise of share options. As at the year end date there was no dilutive effect from the current issued share options, as they are out of the money, as the then price of Ravenscroft shares had not passed the hurdle rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

9. Other Intangible assets

	Purchased software and software development £'000	Software licences £'000	Total £'000
Cost:			
As at 1 January 2014	334	116	450
Additions	144	–	144
At 31 December 2014	**478**	**116**	**594**
Additions	156	–	156
At 31 December 2015	**634**	**116**	**750**
Amortisation:			
As at 1 January 2014	(58)	(39)	(97)
Charge for the year	(79)	(23)	(102)
At 31 December 2014	**(137)**	**(62)**	**(199)**
Charge for the year	(112)	(23)	(135)
Impairment charge	(17)	–	(17)
At 31 December 2015	**(266)**	**(85)**	**(351)**
Carrying amount:			
At 31 December 2014	**341**	**54**	**395**
At 31 December 2015	**368**	**31**	**399**

10. Property, plant and equipment

	Office equipment £'000	Fixtures and Fittings £'000	Communications equipment £'000	Leasehold improvements £'000	Total £'000
Cost:					
As at 1 January 2014	388	110	4	286	788
Additions	16	22	–	–	38
As at 31 December 2014	**404**	**132**	**4**	**286**	**826**
Additions	39	27	–	2	68
As at 31 December 2015	**443**	**159**	**4**	**288**	**894**
Depreciation:					
As at 1 January 2014	(268)	(104)	(4)	(82)	(458)
Charge for the year	(70)	(4)	–	(29)	(103)
At 31 December 2014	**(338)**	**(108)**	**(4)**	**(111)**	**(561)**
Charge for the year	(56)	(13)	–	(29)	(98)
At 31 December 2015	**(394)**	**(121)**	**(4)**	**(140)**	**(659)**
Net Book Value:					
At 31 December 2014	**66**	**24**	**-**	**175**	**265**
At 31 December 2015	**49**	**38**	**-**	**148**	**235**

Included in property, plant and equipment are assets with a book cost of £59k which have been fully depreciated at the year end (2014: £321k).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

11. Business Combination

Summary of acquisition

On 20 March 2015, the Group acquired 75% of the issued share capital and voting rights of A Vartan Limited (Now trading as Vartan Ravenscroft), a company based in the United Kingdom that operates within the investment services segment. The acquisition has further increased the Group's market share and compliments the Group's existing broking and asset management services segments.

The details of the business combination are as follows:

Fair value of purchase consideration	£'000
'A' Share subscription monies cash paid	1,460
Ordinary shares issued	1,890
Subscription monies received	(60)
Total purchase consideration	**3,290**

The fair value of the 630,000 Ravenscroft Limited Ordinary Shares issued as part of the consideration paid for the acquisition of the 75% stake in A Vartan Limited was based on the published share price on 22 March 2015 of £3.00 per share.

Issue costs of £1k which were directly attributable to the issue of the shares have been netted against the deemed proceeds.

Identifiable net assets

Assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value £'000
Property, plant & equipment	6
Reserves adjustment	60
Total non-current assets	**66**
Trade and other receivables	331
Cash and cash equivalents	585
Total current assets	**916**
Trade and other payables	(546)
Contingent liability	(203)
Total current liabilities	**(749)**
Net identifiable assets	**233**
Less: non-controlling interests	**(58)**
Plus: goodwill on acquisition	**3,115**
Net assets acquired	**3,290**

At the acquisition date A Vartan Limited held a goodwill intangible asset on its balance sheet with a net book value of £1.81m with amortisation of £61k expensed through the Profit and Loss. This has been excluded from and adjusted for in the identifiable net assets acquired in accordance with IFRS 3.

The goodwill is attributable to the workforce, client list and high profitability of the acquired business. There were no acquisitions in the year ended 31 December 2014.

Goodwill has been assessed for impairment, based on the results of which the directors believe that there is no impairment as at 31 December 2015.

Acquired receivables

The fair value of acquired trade receivables was £370k of which nil is expected to be uncollectable.

Goodwill

Since the acquisition of A Vartan Limited on 20 March 2015 there have been no movements in goodwill recorded to date.

Revenue and profit contribution to the Group results

From the date of the acquisition to 31 December 2015 A Vartan Limited contributed £1.45m and £0.27m to the Group's revenue and profits respectively. Had the acquisition occurred on 1 January 2015, the Group's share of revenue for the period to 31 December 2015 would have been £1.40m and the Group's profit for the period would have been £0.10m.

Purchase consideration transferred	£'000
Cash consideration transferred to acquire subsidiary	1,460
Cash and cash equivalents at acquisition	(585)
Net cash and cash equivalents acquired	**875**

Acquisition related legal costs amounting to £28k are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit or loss, as part of administrative expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

12. Interests in other entities

Material subsidiaries
The Group has investments in the following principal subsidiary undertakings:

Name of entity	Country of registration	Principal activity	Ownership interest held by the group 2015	Ownership interest held by the group 2014	Ownership interest held by the Non-controlling interests 2015	Ownership interest held by the Non-controlling interests 2014
Huntress (CI) Nominees Limited	Guernsey	Nominee company	100%	100%	0%	0%
Ravenscroft Jersey Limited	Jersey	Provision of investment services	100%	100%	0%	0%
Ravenscroft Investment Management Limited	Guernsey	Provision of investment services	100%	100%	0%	0%
Ravenscroft Services Limited	Guernsey	Services company	100%	100%	0%	0%
A Vartan Limited	England & Wales	Provision of investment services	75%	0%	25%	0%

All these companies have been consolidated in the Group's consolidated financial statements. Unless otherwise stated the country of incorporation or registration is also their principal place of business.

Non-controlling interests (NCI)
Set out below is summarised financial information for A Vartan Limited for the period from 20 March 2015 to 31 December 2015, being the only subsidiary owned that has non-controlling interests that are material to the Group. The amounts disclosed are before inter-company eliminations.

Summarised Balance Sheet	31 December 2015 £'000
Current assets	880
Current liabilities	(456)
Current net-assets	**424**
Non-current assets	1,608
Non-current net assets	**1,608**
Net Assets	**2,032**
Accumulated NCI	126

Summarised statement of comprehensive income	**31 December 2015 £'000**
Revenue	1,446
Profit for the period	**273**
Profit allocated to NCI	68
Dividends paid to NCI	–

Summarised cash flows	**31 December 2015 £'000**
Cash flows from operating activities	(38)
Cash flows from investing activities	(20)
Cash flows from financing activities	–
Net increase in cash & cash equivalents	**(58)**

Immaterial subsidiaries

On 10 November 2014 Ravenscroft Limited acquired one non-participating non-redeemable Management Share of no par value in Ravenscroft Investments PCC Limited ("RIPL") at a subscription price of £1.00 as the Founder Member of RIPL. This entity was established purely as a holding vehicle to facilitate the Bailiwick Investments Limited and client investment in Jacksons CI Limited.

A Guernsey registered Protected Cell Company ("PCC") such as RIPL has the ability to create one or more cells and create and issue cell shares, the proceeds of which will form part of the "cellular assets" attributable to that cell. The assets and liabilities of each cell are segregated from the assets of the PCC itself, referred to as the "Core", and from the assets and liabilities of other cells.

In accordance with the Articles of Incorporation of RIPL, the Management Shares owned by the Company are not entitled to vote at any general meeting or entitled to receive any dividend, while any Participating Shares are in issue, are not entitled to vote at any general meeting or entitled to receive any dividend.

Furthermore, RIPL has it's own board of directors independent from the Company and subsidiary entities and although some members of senior staff from Ravenscroft Limited are appointed as Directors of the PCC, the assets owned by the PCC Cell are all separate legal entities with independent management and control and therefore in the opinion of the Directors the Group has no significant influence, authority or responsibility for planning, directing or controlling the activities of the assets owned by the PCC's Cell.

On this basis, whilst it is intended that the Management Shares be held as a long-term investment, the Directors do not consider Ravenscroft Limited's investment in RIPL to be material to the Consolidated Financial Statements of the Group and as such it is not disclosed on the face of the Consolidated Statement of Financial Position.

As at 31 December 2015 Ravenscroft Limited had a balance of £46k (2014: £13k) due from RIPL representing reclaimable expenses in connection with the ongoing operations of the PCC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

13. Trading investments

	31 December 2015 £'000	31 December 2014 £'000
Long Positions:		
Fair Value	63	106
Short Positions:		
Fair Value	–	(3)
Net Position	**63**	**103**

The Fair Values of these securities are based on quoted market prices. The risks resulting from these positions are set out in note 24.

14. Trade and other receivables

	31 December 2015 £'000	31 December 2014 £'000
Amounts falling due within one year:		
Prepayments and accrued income	1,916	1,404
Market and client receivables	7,726	7,412
	9,642	**8,816**

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

15. Cash and cash equivalents

	31 December 2015 £'000	31 December 2014 £'000
Cash and cash equivalents	**2,065**	**3,838**

The Directors consider that the carrying amount of cash and cash equivalents approximates their fair value.

16. Trading overdraft

	31 December 2015 £'000	31 December 2014 £'000
Trading overdraft	**9**	**77**

Trading account overdraft balances used to finance the acquisition of certain investments held by the Company in connection with Market Making services provided. The Directors consider that the carrying amount of the trading overdraft approximates their fair value.

17. Trade and other payables

	31 December 2015 £'000	31 December 2014 £'000
Amounts falling due within one year:		
Accrued expenses	1,295	1,972
Deferred income	122	2
Market and client payables	4,437	5,317
	5,854	**7,291**

The Directors consider that the carrying amount of trade and other payables approximates their fair value.

18. Commitments

	Land and Buildings	
	31 December 2015 £'000	31 December 2014 £'000
Within one year	181	183
Within two to five years inclusive	699	478
Over five years	115	166
	995	**827**

In December 2010 Ravenscroft Services Limited ("RSL") signed a 17 year lease on offices at the Market Buildings, Fountain Street in St. Peter Port, Guernsey being the Group's Head Offices. The lease covers the fifth floor of the building and is for 4,700 sq ft, costing £26 p.sq. ft. The lease provides for a break date in 2021 and the Group received a rent free period at the start of the lease.

A Vartan Limited hold a lease on their premises at The Singing Men's Chambers, 19 Minster Precincts, Peterborough. The current rent is £22k per annum. There is 8 years left to the termination date.

Ravenscroft Services Limited signed a 15 year lease on offices at Weighbridge House, Liberation Square in St. Helier, Jersey on 15 January 2016, after the year end and therefore is not included in these figures. The lease covers the first floor of the building and is for 3,275 sq ft, costing £33 p.sq. ft. RSL received a 6 month rent free period and there is a tenant only break on 1 February 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

19. Called up share capital

	£'000	No.
Authorised		
As at 1 January 2014	120	12,000,000
Additional share capital authorised	30	3,000,000
As at 31 December 2014	**150**	**15,000,000**
Additional share capital authorised	–	–
As at 31 December 2015	**150**	**15,000,000**
Allotted, issued and fully paid:		
As at 1 January 2014	101	10,087,500
Additional shares issued	5	494,500
As at 31 December 2014	**106**	**10,582,000**
Additional shares issued	27	2,696,450
As at 31 December 2015	**133**	**13,278,450**

On 20 March 2015 the Company issued and listed an additional 630,000 ordinary shares of £0.01 each in Ravenscroft Limited, as part of the acquisition by the Company of a 75% interest in A Vartan Limited.

On 6 August 2015 the Company issued and listed an additional 2,066,450 ordinary shares of £0.01 each in Ravenscroft Limited. These shares were awarded and vested early under the Long Term Incentive Plan-2010 and the Long Term Incentive Plan-2013, in order to facilitate the increased investment in the Company by Pula Investments Limited.

20. Share based payments and other employee benefits

2016 Share Incentive Scheme ("2016-SIS" or "Scheme")

At the Extraordinary General Meeting held on 7 December 2015 the Shareholders approved a new Share Incentive Scheme. The Scheme will award, after 3 years, to recipients an equity settled bonus based on the Company's shares achieving a quoted mid-market price which exceeds £3.75.

	Date of grant	Vesting date	Date of expiry	Remaining contractual life (months)	Estimated fair value £'000	Expensed through Profit or Loss 2015 £'000
	Dec-15	Dec-18	Dec-25	121	3,547	76

The fair value of the share appreciation rights is estimated using a Monte Carlo simulation model which has the following inputs:

Share price as at 7 December 2015	365p
Adjusted share price to reflect liquidity (20% discount)	292p
Expected volatility	14.0%
Expected share price growth	8.0%
Discount Rate	0.9%

Employee Share Option Plan - 2016 ("ESOP-2016" or "Plan")

Following approval of an Employee Share Option Plan by Shareholders at an Extraordinary General Meeting held on 15 October 2015, the Company granted a number of options to nominated employees, details of the options and the vesting date of which are outlined below. The options are exercisable at a price in accordance with the rules of the Plan on the date of grant. If the options remain unexercised after the tenth anniversary of being granted, the options will expire. If the option holder ceases to be an employee or office holder within the Group the options will lapse.

Details of the share options outstanding at the year end in respect of the Plan are as follows:

	Number of share options
Outstanding at the beginning of the year	–
Granted during the year	1,122,500
Exercised during the year	–
Lapsed during the year	(50,000)
Outstanding at the end of the year	**1,072,500**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

20. Share based payments and other employee benefits continued

Date of grant	Vesting date	Date of expiry	Remaining contractual life (months)	No. of Share Options	Estimated fair value £'000	Expensed through Profit or Loss 2015 £'000
Oct-15	Oct-18	Oct-25	119	1,072,500	329	23

The fair value of the options is estimated using a Monte Carlo simulation model which has the following inputs:

Share price as at 15 October 2015	365p
Adjusted share price to reflect liquidity (20% discount)	292p
Expected volatility	14.0%
Expected share price growth	8.0%
Discount Rate	0.9%

21. Own shares

The Ravenscroft 2016 Employee Benefit Trust ("REBT-16")
Following approval of a new employee share option scheme by Shareholders at the Extraordinary General Meeting held on 15 October 2015 the Group established a new Employee Benefit Trust REBT-2016 to handle the purchase, holding and sale of Company shares for the benefit of directors and staff and to satisfy future share option obligations under the Group's new share option scheme. As at 31 December 2015 REBT-2016 owned 10,545 ordinary £0.01 shares with a book cost of £37k. The REBT-2016 has waived its rights to dividends.

	Number of share options	Cost £'000
At 1 January 2015	–	–
Acquired in the year	26,195	92
Disposed of during the year	(15,650)	(55)
At 31 December 2015	**10,545**	**37**

The Ravenscroft Employee Benefit Trust
In 2010 the Group established an Employee Benefit Trust (The Ravenscroft Employee Benefit Trust ("REBT")) to handle the purchase, holding and sale of Company shares for the benefit of directors and staff and to satisfy share option obligations under the Group's 2010 share option scheme. As at 31 December 2014 the REBT held 10,850 ordinary £0.01 shares with a book cost of £24k. During the year all 10,850 shares held by the REBT were awarded to employees therefore leaving the REBT with no assets and as such it is the intention of the Group to terminate the REBT as soon as practicable.

22. Controlling party and related party disclosures

Controlling Party

The Directors consider there to be no immediate or ultimate controlling party of the Company. Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are as follows in the table below:

Balance of transactions as at:	31 December 2015 £'000	31 December 2014 £'000
Due from / (due to)		
Ravenscroft Investment Management Limited	(1,634)	(372)
Ravenscroft Jersey Limited	(50)	16
Ravenscroft Services Limited	359	(549)
A Vartan Limited	–	–
Ravenscroft Employment Benefit Trust	37	–
Huntress (CI) Nominees Limited	–	–

The Group acts as market maker for the long and short investment positions held within trading investments with a value of £63k (2014: £106k) and Nil (2014: -£3k) respectively.

Remuneration of key management personnel

The remuneration of the key management personnel of the Group is set out below in aggregate for each of the categories in IAS 24 - 'Related Party Disclosure'.

	31 December 2015 £'000	31 December 2014 £'000
Short-term employment benefits	2,167	563
Equity compensation benefits	179	59

The increase in short-term employment benefits in 2015 in comparison to the prior year reflects;

- the increase in performance related remuneration (£658k increase)
- the widening of the membership of the Executive Committee (£816k)
- strengthening on the Board with the appointment of additional Executive and Non-Executive Directors and pro-rated remuneration payments due to the timing of appointments (£130k).

For details on the Non-Executive directors remuneration paid during the year, please see the Directors' Report on page 17.

As at 31 December 2015 £29k (2014: £20k) of Directors' Remuneration had been accrued but not paid.

22. Controlling party and related party disclosures continued

Transactions with Directors

Directors' interests in Ordinary Shares of Ravenscroft Limited

For details on the Directors' interests in Ordinary shares of the Company and options over Ordinary shares in the Company as at 31 December 2015, please see the Directors' Report on pages 16 and 17.

The current Directors received total dividends on Ordinary shares held in the Company during the financial year ended 31 December 2015 as shown below:

	31 December 2015 £'000
Jon Ravenscroft	256
Andy Stewart	199
Susie Farnon	19
Dominic Jones	15
Charlie Roger	33
Stephen Lansdown	342
Brian O'Mahoney	7

23. Financial instruments and risk management

The Directors are of the opinion that there have been no significant changes in the financial risks relating to the financial instruments since the prior year.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's credit risk is primarily attributable to its market and client receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers. The maximum exposure of the financial instruments to this risk approximates the statement of financial position values. There was no change in the value of loans and receivables in any period presented as a result of changes in credit risk.

Market and client receivables include £0.94m (2014: £1.37m) relating to unsettled trades that have gone past their due dates. Of this balance, £nil (2014: £nil) relates to trades awaiting settlement confirmation from unit trust managers and £0.54m (2014: £1.33m) relates to trades where the market is unable to deliver stock. As at 30 March 2016 the balance of receivables from unsettled trades that have gone past their due dates was £0.28m. At the year end the Group was owed £0.16m (2014: owed £0.43m) from bank accounts operated on behalf of clients in a nominee capacity. Of these totals all balances were less than 30 days overdue at the year end and no balance related to unsettled trades (2014: £0.16m).

Also within the market and client receivables are receivable amounts in respect of overdrawn client accounts of £0.73m (2014: £3.43m) which by their nature are due for repayment immediately. For commercial reasons the Group may not necessarily seek immediate repayment of these balances, though none are considered impaired. Of the amounts overdrawn at the statement of financial position date these have substantially all been repaid since the statement of financial position date. Collateral relating to these receivables exists covering 99% (2014: 99%) of the overdrawn accounts and is described in more detail below.

The remaining market and client receivables are neither past due nor impaired. These relate to trades entered into in an agent capacity on behalf of counterparties that have been subject to assessment of credit risk upon acceptance as a client. To date no losses have been incurred as a result of changes in credit quality and all these outstanding trade positions were settled in full after the statement of financial position date.

Collateral exists in relation to the Group's right to liquidate client assets under management to make good funds owed to the Group by individual clients. For clients with assets under management the fair value of the available assets would exceed any amounts owed. This collateral does not affect market side receivables or clients using cash against delivery services. The fair value of this collateral at the year end is £0.73m (2014: £3.45m). To date it has not been considered necessary to utilise such recourse. The collateral is over assets held in a nominee capacity and is therefore not otherwise recognised in the financial statements.

Credit risk relating to cash and cash equivalents and market exposures within market and client receivables is limited because the counterparties are institutions with high credit ratings assigned by international credit rating agencies.

Liquidity risk

Liquidity Risk is the risk that an investment cannot be bought or sold quickly enough to prevent or minimise a loss. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Given the nature of the Group's business, the Group does not run any significant liquidity mismatches, financial liabilities are on the whole short term and the Group has sufficient cash retained to cover all its non-client and market liabilities.

Included in market and client payables are trades not yet due for settlement amounting to £2.18m (2014: £3.81m) that are expected to settle within a few days of the year end as these fall due for settlement. The corresponding counterparty/client receivables are presented within the market and client receivables balance.

Such obligations relating to transactions entered into as principal in a nominee capacity are done so through a subsidiary of the Company, Huntress (CI) Nominees Limited, which exists solely to act in this capacity. Funds held on behalf of clients are reconciled daily and on occasion the Company may be required to advance funds to meet counterparty obligations. It is not considered that this represents a significant liquidity risk as the Group has the means to meet these obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2015

23. Financial instruments and risk management continued

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group is required to pay. The tables include both interest and principal cash flows. The tables also detail the Group's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

		Weighted average effective interest rates	Less than 1 month £'000	1-12 months £'000	1-5 years £'000	Total £'000
At 31 December 2015						
Trading investments - long positions	Non-interest bearing		63	–	–	63
Trade and other receivables	Non-interest bearing		9,642	–	–	9,642
Trade and other payables	Non-interest bearing		(6,167)	–	–	(6,167)
Cash and cash equivalents	Variable interest rate instruments	0.2%	2,065	–	–	2,065
			5,603	**-**	**-**	**5,603**

		Weighted average effective interest rates	Less than 1 month £'000	1-12 months £'000	1-5 years £'000	Total £'000
At 31 December 2014						
Trading investments - long positions	Non-interest bearing		106	–	–	106
Trade and other receivables	Non-interest bearing		8,816	–	–	8,816
Trade and other payables	Non-interest bearing		(7,514)	–	–	(7,514)
Trading investments - short positions	Non-interest bearing		(3)	–	–	(3)
Cash and cash equivalents	Variable interest rate instruments	0.2%	3,838	–	–	3,838
			5,243	**-**	**-**	**5,243**

Market risks

(i) Foreign exchange risk

Foreign exchange balances are held to meet the settlement obligations of clients who bear the currency risk in accordance with the terms and conditions of trading. Foreign currency is bought and sold at the time of trading. Where possible the Group deals in foreign currencies on a matched basis on behalf of customers, limiting exchange exposure. Reasonable fluctuations in foreign exchange rates in which such balances are held are not considered to significantly influence the overall profit or loss for the year and as a result, no sensitivity analysis has been performed.

(ii) Price risk

Minimal price risk is considered to exist in relation to the Group's role as an intermediary between buyers and sellers of financial instruments that give rise to the client and market payables and receivables. The exposure is limited to trade mismatches or error, or if one matched counterparty fails to fulfil its obligations. The Group applies monitors and controls to minimize the occurrence of such events. No significant gains or losses have been made to date in respect of such exposure.

(iii) Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the reporting date.

If equity prices had been 20% higher/lower:

- net profit for the year ended 31 December 2015 would have been £13k higher/lower (2014: £11k higher/lower) due to changes in the value of FVTPL held for trading investments.

The Group's exposure to equity price risk is closely managed. The Group has built a framework of overall and individual stock limits and these are actively monitored by the Chief Executive Officer, Channel Islands on a daily basis. The Group's overall exposure to equity price risk is set by the Board.

The Group bears some interest rate risk in relation to the finance income and expenses relating to cash and cash equivalents and bank overdrafts. However, it is considered that the effect of reasonable changes in interest rates does not have a significant effect on fair value or future cash flows. The element of client and market receivables relating to overdrawn client accounts is also a source of interest income which is not significant to overall trading results. All other financial instruments are not interest bearing.

Capital risk management

The Company and Ravenscroft Investment Management Limited are regulated by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 1987. Ravenscroft Jersey Limited is regulated by the Jersey Financial Services Commission under the Financial Services (Jersey) Law, 1998 and A Vartan Limited is regulated by the FCA. These companies are therefore required to meet certain minimum capital requirements. Notwithstanding this the Directors maintain levels of equity, reserves and professional indemnity insurance cover that they consider sufficient to meet the commitments and withstand the risks to which the Company, Ravenscroft Investment Management Limited, Ravenscroft Jersey Limited and A Vartan Limted are subject.

These Companies have complied with these requirements during the period under review. At 31 December 2015 the Company had net assets in excess of the minimum regulatory requirements of £3.89m (2014: £4.46m), Ravenscroft Investment Management Limited had excess net assets of £0.54m (2014: £0.76m) and Ravenscroft Jersey Limited had a Ratio of Adjusted Net Liquid Assets over Expenditure of 136% (2014: 185%) being 6% higher than the minimum regulatory requirements.
A Vartan Limited had capital in excess of the minimum regulatory requirements of £0.23m.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2015

24. Fair Value Measurement

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	31 December 2015			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at FVTPL				
Trading investments - long positions	63	–	–	63

	31 December 2014			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at FVTPL				
Trading investments - long positions	106	–	–	106
Financial liabilities at FVTPL				
Trading investments - short positions	3	–	–	3

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments measured at fair value on an ongoing basis include trading assets.

Determination of fair value

Fair values are determined as follows within the hierarchy:

(a) Quoted market price

Financial instruments with quoted bid prices for identical instruments in active markets.

(b) Valuation technique using observable inputs

Financial instruments with quoted bid prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

(c) Valuation technique with significant non-observable inputs

Financial instruments valued using financial models, such a Monte Carlo, where one or more significant inputs are not observable.

The best evidence of fair value is a quoted price in an actively traded market. In the event that the market for a financial instrument is not active, a valuation technique is used.

25. Post balance sheet events

The directors propose a final dividend of 8p per share, totalling £1.06m. The dividend will be submitted for formal approval at the Annual General Meeting to be held on 27 April 2016.

On 14 January 2016 Ravenscroft Services Limited ("RSL") entered into a 15 year lease on the first floor of Weighbridge House, Liberation Square, Jersey. The lease area is for 3,275sq. ft. costing £33 p.sq. ft. There is a tenant-only break clause after 9 years and RSL received a 6 months rent free period.

STATEMENT OF FINANCIAL RESOURCES
YEAR ENDED 31 DECEMBER 2015

The Directors confirm that the Company has satisfied the financial resources requirement as specified in Rule 2.2.5 of The Licensees (Capital Adequacy) Rules, 2010, throughout the year ended 31 December 2015.

Financial resources

	31 December 2015 £'000	31 December 2014 £'000
Net assets after adjustments, contingent liabilities and risks	4,727	5,160
Less: Expenditure based requirement at 25% of the Company's annual audited expenditure after adjustments	839	698
Excess of net assets over the financial resources requirement	**3,888**	**4,462**

SUMMARY FINANCIAL INFORMATION
YEAR ENDED 31 DECEMBER 2015

Consolidated Statement of Comprehensive Income

	31 December 2015 £'000	31 December 2014 £'000
Revenue	11,409	11,373
Cost of sales	(1,887)	(2,836)
Gross profit	**9,522**	**8,537**
Administrative expenses	(7,328)	(6,193)
Operating profit	**2,194**	**2,344**
Finance income and costs	(2)	3
Share based payments expense	(2,846)	–
(Loss) / profit before taxation	**(654)**	**2,347**
Taxation	(71)	(3)
Profit for the financial year	**(725)**	**2,344**

Consolidated Statement of Financial Position

	31 December 2015 £'000	31 December 2014 £'000
Non-current assets	3,749	660
Current assets	11,770	12,760
Current liabilities	(6,167)	(7,517)
Net assets	**9,352**	**5,903**
Equity Shareholders' Funds	**9,352**	**5,903**

RAVENSCROFT
Stockbroking & Investment Management

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of Ravenscroft Limited (the "Company") will be held at The Farmhouse, Les Bas Courtils, St Saviour, Guernsey, GY7 9YF on 27 April 2016 at 11:00 am for the transaction of the following business:

As ordinary business to consider and, if thought fit, to pass the following resolutions each of which will be proposed as **ordinary resolutions:**

1. That the Company's annual accounts for the year ended 31 December 2015 together with the Directors' report and the auditors' report on those accounts be received.
2. That Andrew Stewart be re-elected as Chairman of the Company.
3. That Brian O'Mahoney be re-elected as a Director of the Company.
4. That Stephen Lansdown be re-elected as a Director of the Company.
5. To declare a final dividend of 8p per Ordinary Share.
6. To re-appoint PricewaterhouseCoopers CI LLP as Auditors to the Company until the conclusion of the next AGM of the Company and the Directors be authorised to fix the Auditors' remuneration.

The Board are of the opinion that the resolutions are in the best interest of the Company and its Shareholders as a whole and unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the AGM. The Directors who hold shares intend to vote in favour of the Resolutions in respect of their entire shareholdings of 6,639,000 shares, representing 50.02% of the total numbers of issued shares (excluding treasury shares) as at 30 March 2016 (the latest practicable date prior to publication of this notice).

By order of the Board

David McGall
Group Company Secretary
04 April 2016

Registered office:
The Market Buildings
Fountain Street
St Peter Port
Guernsey
GY1 4JG

Notes:

- A member entitled to attend and vote at the Meeting convened by the above Notice is entitled to appoint one or more proxies to attend and, on a poll, to vote in his place. A proxy need not be a member of the Company.
- To appoint a proxy you may use the Form of Proxy, which will be enclosed with this Notice of Annual General Meeting when distributed to Shareholders. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be deposited by 11:00 am on 25 April 2016 at The Market Buildings, Fountain Street, St Peter Port, Guernsey, GY1 4JG. Completion of the Form of Proxy will not prevent you from attending and voting in person.