RAVENSCROFT
Stockbroking & Investment Management

UNAUDITED INTERIM REPORT 2013

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RAVENSCROFT
Stockbroking & Investment Management

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FINANCIAL HIGHLIGHTS
INTERIM REPORT 2013

Revenue up

19.2%

to £3.77 million

(30th June 2012 £3.16 million)

Profits before taxation up

43.1%

to £0.73 million

(30th June 2012 £0.50 million)

Assets under administration up

13.2%

to £1.15 billion

(30th June 2012 £1.01 billion)

Diluted earnings per share up

47.0%

to 7.13p

(30th June 2012 4.85p)

Basic earnings per share up

47.0%

to 7.32p

(30th June 2012 4.98p)

Interim dividend per share up

16.6%

to 3.5p

(30th June 2012 3.00p)

Your Board has declared an interim dividend of 3.5p per ordinary share, payable to shareholders for the six months ended 30 June 2013.

This year has seen a mountain of new regulations and rules being proposed – The UK's Retail Distribution Regime, The Alternative Investment Fund Managers Directive ("AIFMD"), in addition, amendments to anti-money laundering and countering the financing of terrorism requirements.

RAVENSCROFT
Stockbroking & Investment Management

Jon Ravenscroft
Chief Executive Officer
19 September 2013

CHIEF EXECUTIVE OFFICER'S REVIEW

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

Welcome to our first Interim Report since changing our name to Ravenscroft Limited ("Ravenscroft").

Although Ravenscroft's (the "Company") name has changed, our business hasn't, and we continue to strive to create value for our clients and stakeholders through a business model that promotes our key value drivers – the personal relationships we develop with our clients, our proprietary investment processes, and our skilled employee base.

When I set up Ravenscroft in 2005, one of the key aims was to foster a reputation for customer service, integrity and accountability in a business that revolved around the local community. Now that we are a truly independent locally owned business I would like to think that we have achieved this. The next step is to take this ethos beyond the Channel Islands, and we continue to undertake due diligence whilst awaiting regulatory approval for our previously announced acquisition of UK-based stockbroker Vartan & Son. This proposed addition to the Company and its Subsidiaries (the "Group") will be a valuable enhancement to the Group's business strategy.

Operating environment

Some stability returned to the markets we operate in during the period as the year-end rally continued into 2013. However, June was something of a reality check for investors as markets promptly dropped 10% following US Federal Reserve Chairman Ben Bernanke's comments that Quantitative Easing (QE) would be moderated later in the year. Bond markets didn't escape the carnage either as investors promptly went cold turkey at the thought of the QE tap finally being turned off, proving our view that it has been unhealthy Central Bank intervention, not economic fundamentals, that has been driving markets in recent times.

It was not all negative though, as the bailout of Cyprus and the Italian election fiasco, which would have previously caused a large sell off last year, were largely shrugged off by the markets. Bizarrely, the downgrading of US GDP growth saw markets rally at the end of June as fears of an immediate end to the growth stimulated by QE were dispelled, no doubt helped by the European Central Bank reiterating its stance that monetary policy would remain accommodative for the foreseeable future. Whether this just delays the inevitable remains to be seen.

This year has seen a mountain of new regulations and rules being proposed – The UK's Retail Distribution Regime, The Alternative Investment Fund Managers Directive ("AIFMD"), in addition, amendments to anti-money laundering and countering the financing of terrorism requirements. Our Compliance team has done a sterling job in ensuring we are prepared for the (delayed) introduction of the US Foreign Account Tax Compliance Act ("FATCA"), and has more recently been working on the draft model agreement and discussion document released by HM Revenue & Customs in implementing FATCA-like agreements between the Channel Islands and the UK. It is clear that the legislative burden will only continue to increase, and the cost of compliance becomes an ever more material expense for the Group.

Bond markets didn't escape the carnage either as investors promptly went cold turkey at the thought of the QE tap finally being turned off

However, I have no doubt that this increasing regulatory obligation will also present opportunities as competitors exit markets and the trend for consolidation within the industry continues. The Board remains alert to exploit these opportunities as they arise.

2013 has also proved to be the year of moral outrage, directed mainly at multi-national businesses that pay the correct amount of corporation tax based on a jurisdiction's tax legislation. This consequently involved significant unfavourable and inaccurate press comment regarding the Channel Islands and other offshore jurisdictions. The recent drive towards tax transparency, spearheaded by David Cameron's letter to the Crown Dependencies ahead of this summer's G8 summit, has seen both Guernsey and Jersey publically reconfirm their long-held commitment to the fight against tax evasion and the ongoing development of global standards for the automatic exchange of tax information.

Your Board has always recognised that one of the key factors in creating sustainable value is to ensure that we continue to contribute to the community, whether it is through direct or indirect tax payments, sponsorship of local events and sports teams, or donations to local charities. Whilst we have an

obligation to our shareholders to maximise profits, we do not and will not engage in corporate tax avoidance, profit engineering or transfer mispricing and will always remain committed to playing an active and supportive role in the communities in which we operate. Due to the nature of the Group's primary business activities, it should be noted that there is little or no seasonality of operating profits usually expected across other industries.

Interim dividend

Your Board has declared an interim dividend of 3.5p per ordinary share, payable to shareholders for the six months ended 30 June 2013.

Event	Date
Ex-dividend date	10 October 2013
Record date	10 October 2013
Payment date	25 October 2013

Future outlook

We have started the second half of the year positively and completed a major fund raise for the Channel Islands Property Fund in July. We continue to work with the team at Vartan & Son and expect to acquire a 75% interest in that business before the year end. The rise in the regulatory burden will not doubt be one of the biggest challenges we face in the near future. Whilst we have increased our human resources in our compliance and operations departments, we continue to maintain close relationships with our regulators and influence future legislation where possible through participation in consultation responses, industry round tables and trade organisations.

Market volatility will continue to be the key determinant of our short-term success; however, our planned expansion into the UK and potentially other jurisdictions will reduce our dependence on the Channel Islands as a source in revenue in the long term. Although there will be costs associated with this entrance into new regulatory regimes, our new information systems have been designed to ensure the scalability of our current hub and bespoke business model at little additional central fixed cost. In addition, our due diligence process for any inorganic growth is designed to ensure that these new business units are compatible with our overall Group strategy and ethos, and we remain confident that any acquisitions will be immediately earnings enhancing.

Your Board has declared an interim dividend of 3.5p per ordinary share, payable to shareholders for the six months ended 30 June 2013.

OPERATIONAL REVIEW
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

Group Business Review

	H1 2013 £	H1 2012 £	Change
Revenue from third parties	**3,766,197**	3,158,979	+19%
recurring revenue	**1,722,178**	1,402,153	+23%
transactional revenue	**2,044,019**	1,756,826	+16%
Operating profit	**732,063**	507,285	+44%
Operating profit margin	**19.4%**	16.1%	+21%
Diluted earnings per share	**7.13p**	4.85p	+47%
Assets under administration (millions)	**1,147**	1,013	+13%

Turnover and operating profit

The Group performed strongly in the first half of 2013, with turnover increasing 19% to £3.77m as all business segments recorded growth in revenue, helped by record trading volumes in our Broking and Asset Management segments increasing their assets under administration by 39% year-on-year. The overall increase in assets under administration ("AUA") of 13% since 30 June 2012, compared with the FTSE APCIMS Balanced Index return of 10%, helped the Group decrease its reliance on transactional revenue, despite the increase in trading volumes seen during the period.

Profits before taxation also rose strongly, up 45% to £0.73m, as the review of expenditure instigated in 2012 began to show benefit and the low fixed costs of the higher trading volumes drove operating margins higher from 16% to 19.4%. The return on AUA also continues to grow as our investment in new IT systems has helped us improve our operational efficiencies and our overall growth in AUA increases our pricing power with suppliers.

Assets under administration

Total AUA rose 13% compared with 30 June 2012, as the value of discretionary accounts increased by 22%, driven predominantly by growth in our Asset Management segment. Advisory accounts increased in value by 14%, whilst lower margin execution only accounts grew by a more modest 7%.

Statement of financial position

As at 30 June 2013 the Group had net assets of £3.44m, including cash balances of £2.54m. Non-current assets increased slightly as we completed the implementation of our new IT hardware and software systems, whilst our exposure to trading investments via our market making team was significantly lower at the period end than as at 31 December 2012.

As is usual, our market and client receivables and payables are significantly higher at the half-year end than as at 31 December 2012 because of the higher volume of client trades seen in June than in the period between Christmas and New Year. The increase in accrued expenses reflects an uplift in deferred employee benefits as a consequence of the Group's higher profitability over the period.

Earnings per share

Basic earnings per share for the period were 7.32p compared with 4.98p for the six months ended 30 June 2012. Diluted earnings per share for the period were 7.13p compared with 4.85p for the comparative period.

Broking Segment Performance

	H1 2013 £	H1 2012 £	Change
Revenue from third parties	**1,932,177**	1,575,504	+23%
recurring revenue	**655,330**	511,548	+28%
transactional revenue	**1,276,847**	1,063,956	+20%
Operating profit	**377,745**	188,119	+101%
Operating profit margin	**19.6%**	11.9%	+64%

The segment saw record trading volumes in the first half of 2013, up 32% from the same period in 2012

Our Broking segment comprises of our dealing and advisory stockbroking desks in both Guernsey and Jersey, which provide services for institutional, intermediary and private clients. The segment now excludes the Group's market making and corporate finance teams, who are now included in the Capital Markets segment, and the figures for the comparative period reflect these changes.

Turnover and operating profit

The segment saw record trading volumes in the first half of 2013, up 32% from the same period in 2012 and slightly higher than the previous highest volumes seen in H1 2011. This, coupled with a 6% increase in AUA, helped grow overall broking turnover by 23% to nearly £2m for the period; however, the loss of referral business from our former parent, Cenkos Securities plc. ("CSP") means this is still below the level seen in 2011.

The segment did record its highest level of H1 recurring revenue, as management fees rose 28%, and the team was appointed sub-distributor for five retail bond issues during the period, as these small-scale corporate bond sales continue to attract client interest.

Operating profit for the segment doubled, primarily following our review of expenditure in 2012. Administrative expenses previously borne by the broking teams were allocated to other business segments to better reflect the activities of each segment within the Group. In addition, there was also a significant drop in legal expenses following the successful resolution of our clients' exposure to MF Global UK Limited (company in special administration), which helped offset increases in trade settlement costs and a new trading platform following the planned cessation of our previous system, which was linked to CSP.

OPERATIONAL REVIEW (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

Asset Management Segment

	H1 2013 £	H1 2012 £	Change
Revenue from third parties	**922,997**	712,777	+29%
recurring revenue	**826,276**	650,194	+27%
transactional revenue	**96,721**	62,583	+55%
Operating profit	**104,729**	158,732	-34%
Operating profit margin	**11.3%**	22.3%	-49%

The Asset Management segment comprises of our Guernsey-based investment management subsidiary, Ravenscroft Investment Management Limited, who offer a thematic investment style across their range of discretionary and advisory segregated mandate portfolios and also provide a range of themed fund-of-funds.

Turnover and operating profit

Segment turnover increased by 29% as a large increase in AUA resulted in higher management fee income compared with the prior period, and the segment now represents 25% of total Group turnover. Recurring revenue continues to represent approximately 90% of total segment turnover.

Segment operating profit decreased during the period, down 34% compared with the first half of 2012, as the team took on additional staff to manage the increase in administrative work following the growth in AUA and the Group realigned some of its internal administrative expenses to better reflect the economic contribution of each segment to the Group.

Segment turnover increased by 29% as a large increase in AUA resulted in higher management fee income compared with the prior period, and the segment now represents 25% of total Group turnover

Capital Markets Segment

	H1 2013 £	H1 2012 £	Change
Revenue from third parties	**911,023**	870,698	+5%
recurring revenue	**240,572**	240,411	+0%
transactional revenue	**670,451**	630,287	+6%
Operating profit	**249,589**	160,434	+56%
Operating profit margin	**27.4%**	18.4%	+49%

The Capital Markets segment provides corporate finance and market making services to our institutional clients, as well as administrative and support services to other business segments within the Group. The segment was previously reported as part of our Guernsey Broking segment, but following the significant increase in business seen in 2012 it has been decided to report separately within this segment.

Turnover and operating profit

Segment revenue grew slightly, as an increase in corporate advisory fees and market making income offset a decline in corporate finance fees, following a significant drop in funds raised for clients compared with the same period last year.

Operating profit for the segment fell as, despite a decline in administrative expenses during the period, accrued performance-related staff benefits increased as senior team members are rewarded in line with overall Group profitability.

Funds raised and other activities

The segment had only one significant fund raising during period: £700,000 for CSP's placing of AIM-listed quarrying and construction material supplier Breedon Aggregates Limited. Although the segment also raised a further £2.7m in June for Channel Islands Stock Exchange ("CISX") listed REIT NewRiver Retail Limited, the fee income was not recognised until the shares were admitted to the CISX in July. In addition, a further £3.3m was also raised in July for local commercial property investment trust The Channel Islands Property Fund Limited, which has ensured a good start to the second half of the year.

At 30 June 2013 the team is still the largest market maker on the CISX by number of clients, acting as market maker for 35 equities and sub-funds and as sponsor for four listed bond issues. The team gradually reduced their net exposure to the market over the period, reducing their book positions from £83,987 to £24,412 - all of which are long positions.

The team is still the largest market maker on the CISX by number of clients, acting as market maker for 35 equities and sub-funds and as sponsor for four listed bond issues

RESPONSIBILITY STATEMENT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

The Board confirms that to the best of its knowledge:

- the condensed set of finanical statements has been prepared in accordance with International Accounting Standard 34 - 'Interim Financial Reporting';
- the Chief Executive Officer's Review, Operational Review and Risk Review include a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the condensed financial statements include a fair review of the information required on related party transactions.

Approved by the Board of Directors on 19 September 2013 and signed on its behalf by:

Director:

Director:

£3.3m was also raised in July for local commercial property investment trust The Channel Islands Property Fund Limited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

	Notes	1 January to 30 June 13 £	1 January to 30 June 12 £
Revenue		**3,766,197**	**3,158,979**
Administrative expenses		(3,034,134)	(2,651,694)
Operating profit		**732,063**	**507,285**
Finance income		2,555	2,503
Finance costs		(226)	(3,578)
Profit before taxation		**734,392**	**506,210**
Taxation	5	(2,641)	(8,214)
Total comprehensive income for the period		**731,751**	**497,996**
Earnings per share			
Basic	6	7.32p	4.98p
Diluted	6	7.13p	4.85p

The notes on pages 18 - 30 form part of these financial statements.
All amounts shown in the consolidated financial statements derive from continuing operations of the Group.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Notes	30 June 2013 £	Audited 31 Dec 2012 £	30 June 2012 £
Non-current assets				
Intangible assets	9	384,934	303,076	170,541
Property, plant and equipment	10	359,795	303,076	372,201
		744,729	**701,870**	**542,742**
Current assets				
Investments - long positions		24,412	178,425	83,987
Trade and other receivables	11	15,540,957	8,941,353	12,838,288
Cash and cash equivalents		2,540,950	2,028,888	2,165,585
		18,106,319	**11,148,666**	**15,087,860**
Total assets		**18,851,048**	**11,850,536**	**15,630,602**
Current liabilities				
Trade and other payables	12	15,410,867	8,857,262	12,471,017
Taxation payable		2,726	899	8,081
		15,413,593	**8,858,161**	**12,479,098**
Net current assets		**2,692,726**	**2,290,505**	**2,608,762**
Total assets less current liabilities		**3,437,455**	**2,992,375**	**3,151,504**
Net assets attributable to shareholders		**3,437,455**	**2,992,375**	**3,151,504**
Represented by				
Capital and reserves				
Called up share capital	13	100,000	100,000	100,000
Retained earnings		3,337,455	2,892,375	3,051,504
Total equity attributable to shareholders		**3,437,455**	**2,892,375**	**3,051,504**

The financial statements were approved by the Board of Directors on 19 September 2013 and signed on its behalf by:

Jon Ravenscroft
Director:

Susie Farnon
Director:

The notes on pages 18 - 30 form part of these financial statements.
All amounts shown in the consolidated financial statements derive from continuing operations of the Group.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

	1 January 13 to 30 June 13 £	1 January 12 to 30 June 12 £
Net cash from/(used in) operating activities	**937,089**	**(220,571)**
Purchase of intangible assets	(118,793)	(170,541)
Purchase of property, plant and equipment	(22,118)	(55,765)
Other investing cash flows	2,555	2,503
Net cash used in investing activities	**(138,356)**	**(223,803)**
Acquisition of own shares subsequently held in treasury	-	(12,250)
Disposal of own shares held in treasury	12,000	-
Dividends paid	(298,671)	(299,475)
Net cash used in financing activities	**(286,671)**	**(311,725)**
Net increase/(decrease) in cash and cash equivalents	**512,062**	**(756,099)**
Cash and cash equivalents at 1 January 2013	**2,028,888**	**2,921,684**
Cash and cash equivalents at 30 June 2013	**2,540,950**	**2,165,585**

The notes on pages 18 - 30 form part of these financial statements.
All amounts shown in the consolidated financial statements derive from continuing operations of the Group.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

	Share capital £	Retained earnings £	Total £
At 1 January 2012	**100,000**	**2,865,233**	**2,865,233**
Total comprehensive income for the period	-	497,996	497,996
Own shares purchased in the period	-	(12,250)	(12,250)
Dividends paid	-	(299,475)	(299,475)
At 30 June 2012	**100,000**	**3,051,504**	**3,151,504**
Total comprehensive income for the period	-	159,232	159,232
Own shares purchased in the period	-	(49,554)	(49,554)
Own shares sold in the period	-	31,831	31,831
Loss on disposal of own shares	-	(1,331)	(1,331)
Dividends paid	-	(299,307)	(299,307)
At 1 January 2013	**100,000**	**2,892,375**	**2,992,375**
Total comprehensive income for the period	-	731,751	731,751
Own shares sold in the period	-	11,615	11,615
Profit on disposal of own shares	-	385	385
Dividends paid	-	(298,671)	(298,671)
At 30 June 2013	**100,000**	**3,337,455**	**3,437,455**

There was no other recognised income or expense for the six months ended June 2013

The notes on pages 18 - 30 form part of these financial statements.
All amounts shown in the consolidated financial statements derive from continuing operations of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

1. General information

Ravenscroft Limited is a company incorporated with limited liability in Guernsey. The Company's principal activity is the provision of investment services. These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates.

2. Basis of preparation

The consolidated condensed financial statements have been prepared in accordance with IAS 34 - 'Interim Financial Reporting', but have not been audited or reviewed by auditors pursuant to the Auditing Practices Board's guidance on the review of interim financial statements. The consolidated condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

The Board has prepared forecasts taking account of the current uncertain market conditions which demonstrate that the Group will continue to operate within its own resources for at least 12 months after the reporting date. The information prepared has also been subjected to sensitivity analysis designed to stress test the forecasts. As a result, the Board considers that the Group has adequate resources to meet its business needs and it is therefore appropriate to adopt the going concern basis in preparing these financial statements.

The accounting policies used in arriving at these condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012 which were prepared in accordance with International Financial Reporting Standards (IFRS), except for the impact of the adoption of the new standards and interpretations applicable to the Group as described below.

The consolidated condensed financial statements incorporate the financial statements of the Group and employee benefit trust made up to co-terminus period end. Control is achieved where the Company has power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. 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. All inter-Group transactions, balances, income and expenses are eliminated on consolidation.

3. Significant accounting policies

These condensed financial statements have been prepared on the historical cost basis, modified by the revaluation of certain financial instruments.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

The accounting policies used in arriving at these condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012, which were prepared in accordance with International Financial Reporting Standards (IFRS), except for the impact of the adoption of the new Standards and Interpretations, applicable to the Group as described below.

IFRS 10 'Consolidated Financial Statements' (effective for accounting period beginning on or after 1 January 2013)
The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. There has been no change to the reported results or financial position of the Group as a result of the adoption of this Standard.

IFRS 12 'Disclosure of Interests in Other Entities' (effective for accounting period beginning on or after 1 January 2013)
IFRS 12 is a disclosure Standard that requires the Group to disclose information that enables users of financial statements to evaluate the nature of, and risks associated with, the Group's interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows. There has been no change to the reported results or financial position of the Group as a result of the adoption of this Standard.

IFRS 13 'Fair Value Measurement' (effective for accounting period beginning on or after 1 January 2013)
IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurement. The scope of IFRS 13 is broad; the fair value measurement requirements of IFRS 13 apply to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurement and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of IFRS2 'Share-based Payment', leasing transactions that are within the scope of IAS 17 'Leases', and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, IFRS 13 includes extensive disclosure requirements.

IFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the dislcosure requirements set out in the Standard in comparative information provided for the periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by IFRS 13 for the 2012 comparative period (please see Note 14 for the 2013 disclosures). Other than the additional disclosures, the application of IFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

4. Segment information

IFRS 8 'Operating Segments' requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief operating decision maker in order to allocate resources to the segment and to assess its performance.

During the period the Group changed how it reported segment revenue and profit to the Board and the assessment of performance is now more specifically focussed on the type of service provided.

Management currently identifies the Group's reportable segments for revenue and profit as follows:

- The Broking segment provides private client and institutional broking services in the Group;
- The Asset Management segment provides private client investment management and institutional fund management services; and
- The Capital Markets segment provides corporate finance and market making services for institutional clients as well as administrative and support services to the other business segments.

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 (formerly Cenkos Channel Islands Services Limited).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

4. Segment information (continued)

	Broking £	Asset Management £	Capital Markets £	Eliminations £	Consolidated £
Operating segment for the period ended 30 June 2013:					
Revenues from external customers	1,932,177	922,997	911,023	-	3,766,197
Inter-segment revenue	10,914	-	113,204	(124,118)	-
Total revenues	**1,943,091**	**922,997**	**1,024,227**	**(124,118)**	**3,766,197**
Operating profit	**377,745**	**104,729**	**249,589**	**-**	**732,063**
Finance income					2,555
Finance costs					(226)
Profit before taxation					734,392
Taxation					(2,641)
Profit for the period					**731,751**
Segment assets	18,038,374	708,452	1,227,997	(1,123,775)	18,851,048
Segment liabilities	14,675,882	206,607	1,143,547	(612,443)	15,413,593

	Broking £	Asset Management £	Capital Markets £	Eliminations £	Consolidated £
Operating segment for the period ended 30 June 2012:					
Revenues from external customers	1,575,504	712,777	870,698	-	3,158,979
Inter-segment revenue	410,560	-	69,952	(480,512)	-
Total revenues	**1,986,064**	**712,777**	**940,650**	**(480,512)**	**3,158,979**
Operating profit	**588,119**	**158,732**	**160,434**	**(400,000)**	**507,285**
Finance income					2,503
Finance costs					(3,578)
Profit before taxation					506,210
Taxation					(8,214)
Profit for the period					**497,996**
Segment assets	16,890,732	494,634	403,532	8,526	17,797,424
Segment liabilities	14,496,101	15,771	50,316	396,818	14,959,006

	Revenue from customers		Assets	
	1 January to 30 June 2013 £	1 January to 30 June 2012 £	30 June 2013 £	30 June 2012 £
Geographical location:				
Channel Islands	3,766,197	3,158,979	744,729	701,870

Non-current assets for this purpose consist of intangible assets and property, plant and equipment.
No one customer accounted for more than 10% of the Group's revenue for the period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

5. Taxation

	1 January to 30 June 2013 £	1 January to 30 June 2012 £
The current tax charge comprised:		
Current tax		
Guernsey Income Tax at 0% based on profit for the period	-	-
Overseas tax charge borne by subsidiaries operating in other jurisdictions	2,641	8,214
	2,641	**8,214**

Income Tax expense is recognised based on management's best estimate of the weighted average annual Income Tax rate expected for the full financial year.

6. Earnings per share

	30 June 2013 £	30 June 2012 £
Earnings		
Earnings for the purpose of basic earnings per share (being net profit attributable to equity holders of the Parent)	731,751	497,996

	No.	No.
Number of shares		
Weighted average number of shares for the purpose of basic earnings per share	10,000,000	10,000,000
Effect of dilutive share options	265,306	265,306
Weighted average number of ordinary shares for the purpose of diluted earnings per share	10,265,306	10,265,306

7. Dividends

	30 June 2013 £	30 June 2012 £
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 December 2012 of 3p (31 December 2011: 3p) per share	298,671	299,475

The proposed interim dividend for 2013 of 3.5p (2011: 3p) per share was approved by the board on 19 September 2013 and has not been included as a liability as at 30 June 2013. The dividend will be payable on 25 October 2013 to all shareholders on the register as at 10 October 2013.

8. Investments in subsidiary undertakings

Principal subsidiary undertakings	Country of registration	Principal activity	Proportion
Ravenscroft Investment Management Limited (formerly Cenkos Channel Islands Investment Management Limited)	Guernsey	Provision of Financial Services	100%
Ravenscroft Jersey Limited (formerly Cenkos Jersey Limited)	Jersey	Provision of Financial Services	100%
Ravenscroft Services Limited (formerly Cenkos Channel Islands Services Limited)	Guernsey	Services company	100%
Huntress (CI) Nominees Limited	Guernsey	Nominee company	100%

All of these companies have been consolidated in the Group financial statements.

9. Intangible assets

At 30 June 2013 the Group had intangible assets with a value in use of £384,934 (31 December 2012: £303,076). During the period, the Group capitalised £118,792 (six month period ended 30 June 2012: £170,541; year ended 31 December 2012: £303,076) of spending on intangible assets which mostly related to software development. The amortisation for the period was £36,934 (six month period ended 30 June 2012: £nil; year ended 31 December 2012 £nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

10. Property, plant and equipment

At 30 June 2013 the Group had property, plant and equipment with a net book value of £359,795 (31 December 2012: £372,201). During the period, the Group spent £22,118 (six month period ended 30 June 2012: £55,765, year ended 31 December 2012: £133,778) on property, plant and equipment. This mostly related to IT equipment in Guernsey. The depreciation charge for the period was £60,898 (six month period ended 30 June 2012: £40,890; year ended 31 December 2012: £92,310).

11. Trade and other receivables

	30 June 2013 £	31 December 2012 £
Amounts falling due within one year:		
Prepayments and accrued income	(5,632,192)	883,615
Market and client receivables	14,573,545	8,057,738
	15,540,957	**8,941,353**

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

12. Trade and other payables

	30 June 2013 £	31 December 2012 £
Amounts falling due within one year:		
Accrued expenses	(5,506,418)	850,440
Deferred income	40,536	50,225
Market and client payables	14,323,144	7,956,597
	15,410,867	**8,857,262**

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

13. Share capital

The issued share capital as at 30 June 2013 amounted to £100,000 represented by 10,000,000 1p shares. There were no movements in the issued capital of the Company in either the current or prior interim reporting periods.

14. Financial instruments

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 period. Financial instruments as appearing in the statement of financial position and notes to the financial statements are classified as follows:

	30 June 2013 £	31 December 2012 £
Financial assets		
Fair value through profit and loss (FVTPL):		
Trading investments - long positions	24,412	178,425
Amortised cost:		
Cash and cash equivalents	2,540,950	2,028,888
Market and client receivables	14,573,545	8,057,738
	17,138,907	**10,265,051**
Financial liabilities		
Amortised cost:		
Accrued expenses	1,047,187	850,440
Market and client payables	14,323,144	7,956,597
Taxation payable	2,726	899
	15,373,057	**8,807,936**

Risk management activities

For details of the Group's risk management activities, please see note 19 on page 29.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

14. Financial instruments (continued)

Fair value hierarchy

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).

As at 30 June 2013, the Group held the following financial instruments measured at fair value:

	Level 1 £	Level 2 £	Level 3 £	30 June 2013 Total £
Financial assets at FVTPL				
Non-derivative financial assets held for trading - Equity	24,412	-	-	24,412

During the six-month period ended 30 June 2013 there were no transfers between Level 1 and Level 2 fair value measurement, and no transfers into or out of Level 3 fair value measurement.

The revaluation of investments is undertaken by the Group finance team, who price the movements using quoted market sources. The finance team reports to management on this process.

15. Share based payments and other employee benefits

Share based payments

No awards were made during the six months ended 30 June 2013 under the Company Share Option Plan or Long Term Incentive Plan. As at 30 June 2013 there were 1,695,000 share options outstanding with a weighted average exercise price of 111p and a weighted average remaining contractual life of 81 months. None of the awards held by the Directors as at 31 December 2012 were exercised or lapsed during the period.

Employee benefits

The Group operates an Employee Benefit Trust (The Ravenscroft Employee Benefit Trust (formerly The Cenkos CI Employee Benefit Trust)), established in 2010 to handle the purchase, holding and sale of Company shares for the benefit of Directors and other staff. The trust has waived its right to dividends.

During the period the Employee Benefit Trust made the following awards to employees of the Group:

	30 June 2013			30 June 2012		
	Number of shares	Cost £	Fair value £	Number of shares	Cost £	Fair value £
Awards made to Directors	2,000	2,420	2,500	-	-	-
Awards made to other staff members	7,600	9,195	9,500	-	-	-
	9,600	**11,615**	**12,000**	**-**	**-**	**-**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

16. Related party transactions

The Directors consider there to be no immediate and ultimate controlling party. Transactions between the Company and its Subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. During the period the Company widened its key management personnel to include both the Directors of the Company and other members of the Group's Executive Committee.

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 specified in IAS 24 - 'Related Party Disclosure'

	1 January to 30 June 2013 £	1 January to 30 June 2012 £
Short-term employment benefits	304,764	114,850
Equity compensation benefits	3,500	-

The increase in short-term employment benefits reflects the widening of the key management personnel criteria.

	30 June 2013 No.	30 June 2012 No.
Directors interest in ordinary shares of Ravenscroft Limited:		
Number of shares	2,952,600	2,874,000
Percentage interest in the Company's share capital	29.5%	28.7%

	Number of share options	30 June 2013 Weighted avg exercise price	Number of share options	30 June 2012 Weighted avg exercise price
Directors interest in share options of Ravenscroft Limited:				
Outstanding at the beginning of the period	290,000	125p	385,000	126p
Lapsed during the period	-	-	(95,000)	127p
Outstanding at the end of the period	**290,000**	**125p**	**290,000**	**125p**

There were no outstanding balances or bad debt provisions for any related party balances as at 30 June 2013, and no related party balances have been written off during the period (six months ended 30 June 2012: £5,758).

17. Events after the end of the reporting period

There were no events to report.

18. Approval of interim financial statements

The interim financial statements were approved by the Board on 19 September 2013.

19. Principal risks and uncertainties

Principal risks and uncertainties

The principal risks and uncertainties currently faced by the Group are outlined 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.

Economic conditions

The Group is generally dependent on the health of the financial markets. The impact of poor economic conditions on the Group's clients and markets has the potential to adversely impact on the 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 the 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.

Reputational risk

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

Employee risk

The Group's employees are its greatest asset and the future success of the Group depends on the Group's ability to attract and retain high quality executives and employees. The Group seeks to minimise employee risk by rewarding employees through a remuneration package which includes performance-based payments that align the interests of both employees and shareholders.

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, alternatively, from external events. Compliance personnel and senior management ensure that significant operational risks, their mitigations and appropriate control systems are continually reviewed. Where applicable, corrective action plans are put in place.

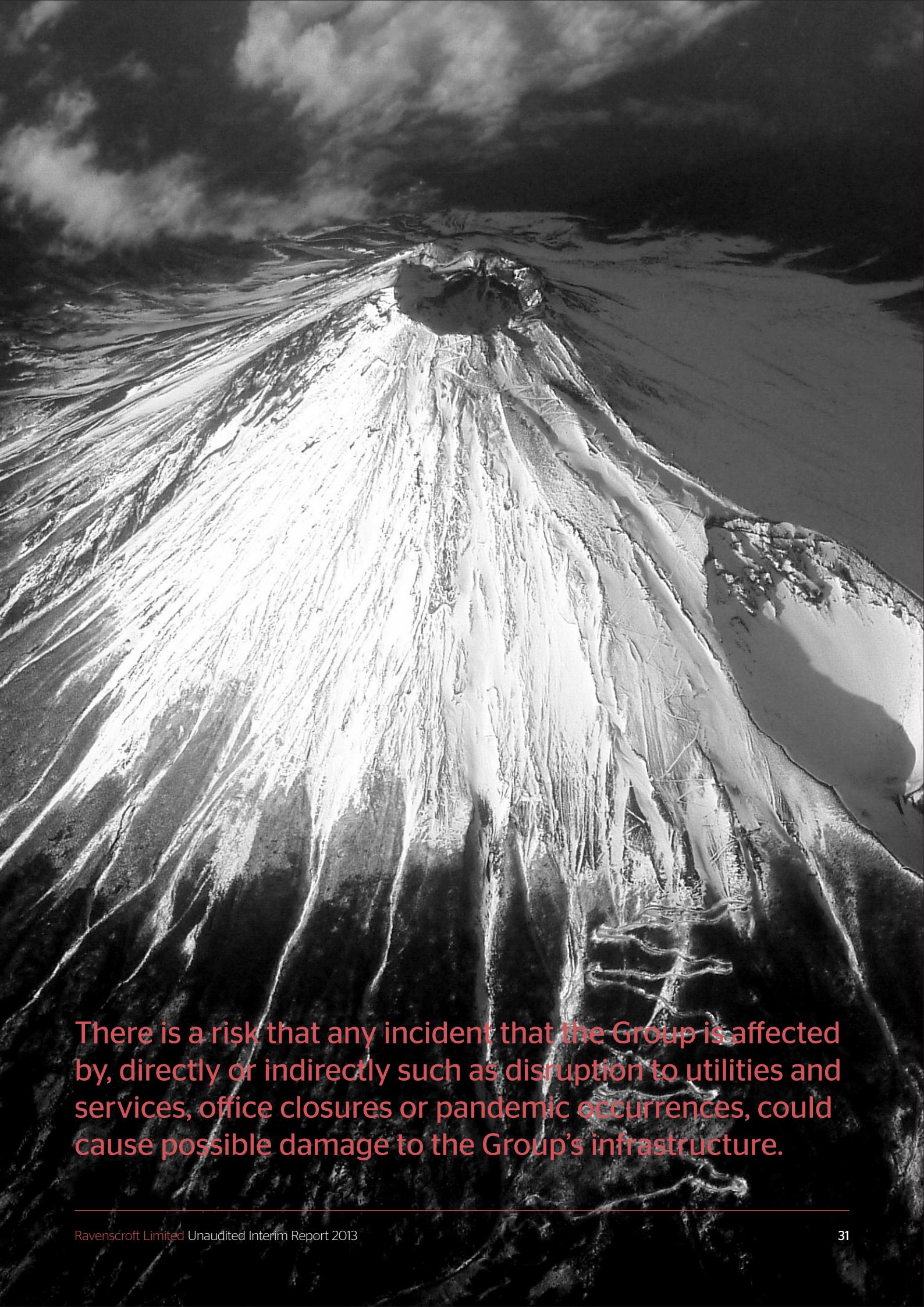
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2013

19. Principal risks and uncertainties (continued)

Market risk exposure
The Group is exposed to market risk predominantly through its position in trading investments. The Group applies monitoring and controls to minimise this risk on a daily basis.

Liquidity risk
The Group has in place an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. 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.

Business continuity risk
There is a risk that any incident that the Group is 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 the Group's reputation or cause financial loss. Continuity planning is in place across the Group 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.



There is a risk that any incident that the Group is 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.

FORWARD-LOOKING STATEMENTS
INTERIM REPORT 2013

These financial statements contain forward-looking statements with respect to the future 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 have been 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.

COMPANY INFORMATION
INTERIM REPORT 2013

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J R Ravenscroft (Chief Executive Officer)
S C Melling (Chief Operating Officer)
S A Farnon (Non-Executive Director)

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D J McGall

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