



UNAUDITED INTERIM REPORT 2016

CONTENTS

Business and Financial Highlights	02
--	-----------

Management Report

Group Chief Executive Officer's Review	03 - 06
Operational Review	07 - 10
Directors' Report	11

Independent Review Report	12
----------------------------------	-----------

Consolidated Financial Statements

Condensed Consolidated Statement of Comprehensive Income	13
Condensed Consolidated Statement of Financial Position	14
Condensed Consolidated Statement of Cash Flows	15
Condensed Consolidated Statement of Changes in Equity	16
Notes to the Condensed Consolidated Financial Statements	17 - 29

Other Information

Company Information	30
----------------------------	-----------

BUSINESS AND FINANCIAL HIGHLIGHTS

INTERIM REPORT 2016

Revenue up

7%

to £6.07 million

(30 June 2015: £5.67 million)

Profit before tax down

(18%)

to £1.0 million

(30 June 2015: £1.22 million)

Total Assets Under Administration ("AUA") up

19% year on year

to £2.45 billion

(31 December 2015: £2.38 billion,
30 June 2015: £2.06 billion)

Basic earnings per share down

(36%)

to 6.73p

(30 June 2015: 10.52p)

Diluted earnings per share down

(32%)

to 6.73p

(30 June 2015: 9.87p)

Dividend declaration

The Board declares an interim dividend of 4.25p per share, in line with last year's interim dividend of 4.25p per share

Provisional Financial Calendar

- **Monday, 19 September 2016:** Interim dividend declaration date and publication of the 2016 Interim Report.
- **Monday, 26 September 2016:** Interim dividend ex-dividend date.
- **Wednesday, 28 September 2016:** Interim dividend record date.
- **Wednesday, 5 October 2016:** Interim dividend payment date.



Jon Ravenscroft
Group Chief Executive Officer
19 September 2016

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

Financials

2016, as with every year in history, has had its ups and downs. From the lows of social and political unrest to the highs of the Olympics, we reach the mid-point of the year having witnessed things that could never have been predicted. As ever, we remain focused on doing the best possible job for our clients, our shareholders and our business.

Whilst figures for the first 6 months of 2016 may, at first glance, appear unflattering by comparison, in many respects they represent a very positive period for the business as we have increased spending on resourcing and infrastructure. For example, administrative expenses show a marked increase on the same period last year - rising by £530k. This is as a result of our previously disclosed decision to invest in staff and systems to both improve the level of service offered to existing business, and provide scope to expand the business more efficiently.

In addition to these expected costs, the first half of the year also saw a volatile period in stock markets; bolstered by the looming Brexit vote and an understandably nervous client base. This resulted in lower than usual trading volumes and, despite an increase in revenue of 7% for the year to date, operating profits fell 18% on a like for like basis.

We are confident that the second half of the year will see positive changes within the business reflected in the bottom line.

Ravenscroft Investment Management Limited (“RIML”)

It has been another great year for our Investment Management team - Assets under Administration (“AUA”) have remained steady at approximately £500m and the pipeline for further asset gathering remains very healthy. The already-strong first quarter performance of the Huntress Fund range was further boosted following the Brexit result as investors sought shelter in the type of high quality assets that are at the core of the Huntress fund range. As a result, all four Funds reached all-time highs. We are confident that the team will continue to deliver consistent results with their robust investment process.

Ravenscroft Jersey Limited

Our Jersey team have had an equally exciting start to the year as they relocated to a new, much larger office space. The move to new premises coincides with some exciting personnel developments, which sees an additional 7 members of staff join the existing Jersey team. The growth of the team, relocation, and long term lease is indicative of our commitment to expanding our operations and client base in Jersey. We are extremely positive about the potential to grow the Jersey business and are very pleased to welcome the new team on board.

Vartan Ravenscroft

Vartan Ravenscroft has flourished under the new brand and are working on an increased advertorial presence in local publications and at events. They continue to see an inflow of exciting new business enquiries and are working closely with their Board to develop their services further. They will also shortly be hosting a presentation on behalf of RIML, which will see the Investment Management team present to existing and potential Vartan Ravenscroft clients.

It has been another great year for our Investment Management team - Assets under Administration (“AUA”) have remained steady at approximately £500m and the pipeline for further asset gathering remains very healthy.



Corporate Finance Activity

In February 2016, Bailiwick Investments Limited (“BIL”) led and completed an investment into Sandpiper, purchasing 40% of the group and investing alongside both Ravenscroft clients and the existing Sandpiper management. We believe that this was an excellent opportunity for purchasers, and one which will lead to value creation for BIL’s shareholders and our clients alike.

We have been equally busy in our role as managers of The Channel Islands Property Fund (“CIPF”), as an opportunity to purchase two further properties was identified at the end of 2015. Due to our rigorous due diligence process and desire to purchase only properties of the highest quality, the completion process on both properties was unfortunately delayed; however we are delighted to report that both purchases are now moving towards completion. Both buildings are in Jersey and are fully let on long term leases with secure covenants, which is very much in keeping with the existing investments within the portfolio.

CIPF also completed the acquisition of Fort Anne in the Isle of Man in late August. This is a landmark building that fits CIPF’s quality, lease length and covenant parameters and is an exciting diversification for the fund’s portfolio. The Isle of Man is a new territory for the fund, however it has many synergies with the Channel Islands as well as an ambitious government focused on driving business growth through innovation and population increase. The fund is authorised to invest 25% of its value outside of the Channel Islands, however this is the first property to be located elsewhere.

Interim Dividend

I am delighted to announce that the Board have declared an interim dividend of 4.25p (2015: 4.25p), in line with last year.

I am delighted to announce that the Board have declared an interim dividend of 4.25p (2015: 4.25p), in line with last year.



Brian O'Mahoney
Chief Operating Officer
& Finance Director

19 September 2016

OPERATIONAL REVIEW

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

GROUP BUSINESS REVIEW

	H1 2016 £000	H1 2015 £000	Change
<i>recurring revenue</i>	3,645	2,904	26%
<i>transactional revenue</i>	2,429	2,767	(12%)
Revenue from third parties	6,074	5,671	7%
Operating profit	1,002	1,223	(18%)
Operating profit margin	16.5%	21.9%	(5%)
Basic earnings per share	6.73p	10.52p	(36%)
Diluted earnings per share (note 6)	6.73p	9.87p	(32%)
Assets under administration	£2,450m	£2,062m	19%

OPERATIONAL REVIEW (continued) FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

Ravenscroft Limited and its subsidiaries (the "Group") performed well in the first half of 2016. Overall revenue increased 7% from £5.67m to £6.07m over the same period the year before. However, this increase in revenue was more than offset by increases in costs - namely an 11% increase in cost of sales due primarily to servicing the increased Assets under Administration ("AUA") and a 15% increase in administrative costs primarily due to additional headcount, which resulted in operating profit decreasing 18% over the same six month period the year before. As a result the operating profit margin fell from 21.9% to 16.5%.

The administrative cost increase reflects a cost step-up that we committed to in late 2015 and continued into 2016, whereby we recruited additional staff across the business; notably in finance, static data, settlements and corporate finance to service the increased activity of the Group. The step-up in costs will also assist the Group to service anticipated future growth.

Basic earnings per share are down 36% from 10.52p to 6.73p, for the same period last year. This is as a result of the increased share capital that occurred in the second half of 2015 when the staff incentive schemes vested early as part of the Pula Investments Limited transaction, and the reduced profitability explained above. We expect profitability and earnings to

increase markedly in the second half of this year as a result of the imminent closing of certain corporate finance deals and the impact of the impressive performance record of our RIML managed funds.

The £0.40m increase in revenue was delivered by: Asset Management £130k and UK Broking £502k, while CI Broking and Corporate Finance revenue declined by £173k and £57k respectively; a fuller explanation of which is provided in the forthcoming pages.

Very encouragingly, recurring revenues rose by 26% (£0.74m) on the same period last year. All segments of the business showed positive performance; Channel Islands Broking up £109k, Corporate Finance up £187k, Asset Management up £151k and UK Broking up £293k. These increases are as a direct result of our increased asset gathering and AUA have risen 19% from £2.06bn to £2.45bn.

Transactional revenues fell by 12% on the same period last year; however we anticipate these revenues to recover in the second half of the year as scheduled corporate finance transactions close.

BROKING - CHANNEL ISLANDS

	H1 2016 £000	H1 2015 £000	Change
<i>recurring revenue</i>	984	875	12%
<i>transactional revenue</i>	1,173	1,455	(19%)
Revenue from third parties	2,157	2,330	(7%)
Assets under administration	£1,450m	£1,264m	15%

Broking primarily includes private client, institutional stockbroking and market making activity.

Total revenue for the period fell 7% (or £173k) to £2.16m, primarily due to reduced transaction levels and reduced market placings; partly as a result of uncertainty in the market due to the Brexit referendum.

Recurring revenues for the period rose 12% from £0.88m to £0.98m when compared to the corresponding period last

year. These revenues rose on the back of the growth in the underlying AUA, which rose from £1,264m to £1,450m.

Broking transactional revenues fell 19% in this half year when compared to 2015 due to both stockmarket turmoil at the beginning of the year and also due to client and market apprehension in the lead up to Brexit. We are therefore generally pleased with the result for the period bearing in mind the above circumstances.

BROKING - UNITED KINGDOM

	H1 2016 £000	Acquisition to H1 2015 £000	Change
<i>recurring revenue</i>	574	281	104%
<i>transactional revenue</i>	449	240	87%
Revenue from third parties	1,023	521	96%
Assets under administration	£301m	£293m	3%

Our UK Broking segment consists of our UK based subsidiary A Vartan Limited (trading as Vartan Ravenscroft) which provides private client and institutional broking services in the United Kingdom.

The 2015 half year revenue figures only included trading from 20 March 2015 (this being the date of acquisition) to 30 June 2015; just over three months. A change of 96% therefore effectively equates to flat trading performance.

The recurring revenue increased slightly on last years adjusted level reflecting the uptick in AUA.

Transactional figures for the period were slightly below the adjusted level and these were also affected by stockmarket turmoil and Brexit uncertainty.

ASSET MANAGEMENT

	H1 2016 £000	H1 2015 £000	Change
<i>recurring revenue</i>	1,324	1,173	13%
<i>transactional revenue</i>	150	171	(12%)
Revenue from third parties	1,474	1,344	10%
Assets under administration	£494m	£344m	43%

Our Asset Management segment consists of our Guernsey based investment management subsidiary, Ravenscroft Investment Management Limited ("RIML"). We offer Investment Funds and Portfolio Management services and our investment process is based on identifying global themes that will benefit from long-term changes in demography, globalization and technological developments.

The 13% increase in recurring revenues equating to £151k reflects an increase in AUA, which has been achieved in both the funds and segregated accounts segments. The AUA have increased markedly from £344m as at 30 June 2015, to £494m as at 30 June 2016; a 43% increase. The increase

is predominately a result of attracting new assets due to the strong investment performance of the funds. RIML's funds also performed impressively over the 'Brexit' period with the funds reporting very strong performance due to the global nature of the asset allocation.

Strong growth of AUA and high demand for the Huntress fund range has allowed us to reduce the annual management charge for investors to 0.75% across all strategies, effective from April 2016. This serves to make the funds more cost-effective for investors and more competitively priced within the market place, without threatening the stability of RIML's revenue growth.

OPERATIONAL REVIEW (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

CORPORATE FINANCE

	H1 2016 £000	H1 2015 £000	Change
<i>recurring revenue</i>	762	575	32%
<i>transactional revenue</i>	657	901	(27%)
Revenue from third parties	1,419	1,476	(4%)
Assets under administration	£205m	£161m	27%

Corporate Finance's recurring revenue increased by £187k from £575k to £762k on the same period last year. Recurring revenue reflects the 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"). The vehicles undertook a number of fund-raising and new investments over the course of 2015 and 2016, which resulted in a marked increase in the assets held in and the fees earned from these structures. The total assets held by the two funds increased from £161m to £205m over the year from

30 June 2015 to 30 June 2016, showing a combined increase of £44m (27%).

Corporate Finance transactional revenues fell £244k from the corresponding 2015 period from £901k to £657k, due to the timing of BIL and CIPF transactions both in 2015 and 2016. The first half of 2015 saw a number of significant transactions both in CIPF and BIL, whereas in 2016 there were no CIPF deals and only one significant BIL deal. There was £154k of deferred performance fees on BIL recognised in this period.

Brian O'Mahoney
Chief Operating Officer & Finance Director

19 September 2016

DIRECTORS' REPORT

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

PRINCIPAL RISKS

The principal risks assessed by the board relating to the Group were disclosed in the 2015 Annual Report and Audited Consolidated Financial Statements for the period to 31 December 2015. These can be found on our website at www.ravencroft.gg. The Board has reassessed the principal risks and do not consider these risks to have changed. Therefore, these are the principal risks assessed by the Board as relating to the Group for the remaining six months of the year to 31 December 2016.

GOING CONCERN

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 and pay its debts as and when they fall due.

The information prepared has also been subjected to sensitivity analysis designed to stress test the forecast. 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.

FORWARD LOOKING STATEMENTS

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 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.

RESPONSIBILITY STATEMENT

The Board confirms that to the best of its knowledge:

- the condensed consolidated set of financial statements, which have been prepared in accordance with International Accounting Standard 34 - 'Interim Financial Reporting' as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Group Chief Executive Officer's Review, the Operational Review and Directors' Report include a fair review of the development and performance of the business and the position of Ravenscroft Limited and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties for the remaining six months of the year; and
- the condensed consolidated financial statements include a fair review of the information required on related party transactions and any material changes in the related party transactions described in the last annual report.

Approved by the Board of Directors on 19 September 2016 and signed on its behalf by:

SUSIE FARNON
DIRECTOR:

BRIAN O'MAHONEY
DIRECTOR:

INDEPENDENT REVIEW REPORT TO RAVENSCROFT LIMITED

Introduction

We have been engaged by the Company to review the condensed set of consolidated financial statements in the half-yearly financial report for the six month period ended 30 June 2016, which comprises the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position as at 30 June 2016, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and associated notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of consolidated financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half yearly financial report in accordance with the Listing Rules of the Channel Islands Securities Exchange.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of consolidated financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Listing Rules of the Channel Islands Securities Exchange and for no other purpose. We do not, in producing this report, 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.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six month period ended 30 June 2016 are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Listing Rules of the Channel Islands Securities Exchange.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey
Channel Islands

19 September 2016

- (a) The maintenance and integrity of the Ravenscroft Limited 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 financial statements since they were initially presented on the website.
- (b) Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

	Notes	Unaudited 30 June 2016 £000	Unaudited 30 June 2015 £000
Revenue		6,074	5,671
Cost of sales		(928)	(835)
Gross profit		5,146	4,836
Administrative expenses		(4,143)	(3,613)
Operating profit		1,002	1,223
Finance income		2	1
Finance costs		-	(1)
Profit before taxation		1,004	1,223
Taxation expense	5	(64)	(33)
Profit for the period and total comprehensive income		941	1,190
Attributable to:			
Equity holders of the Company		894	1,163
Non-controlling interests		47	27
		941	1,190
Earnings per share			
Basic	6	6.73p	10.52p
Diluted	6	6.73p	9.87p

The notes on pages 17 - 29 form part of these consolidated financial statements.
All amounts shown in the condensed consolidated financial statements derive from continuing operations of the Group.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Notes	Unaudited 30 June 2016 £000	Audited 31 December 2015 £000	Unaudited 30 June 2015 £000
Non-current assets				
Goodwill		3,115	3,115	3,115
Other intangible assets	9	382	399	407
Property, plant and equipment	10	446	235	235
		3,943	3,749	3,757
Current assets				
Trading investments - long positions		81	63	30
Trade and other receivables	11	18,154	9,652	13,999
Cash and cash equivalents		2,273	2,066	2,742
		20,508	11,781	16,771
Total assets		24,451	15,530	20,528
Current liabilities				
Trade and other payables	12	15,059	6,014	12,101
Tax payable	5	164	160	285
Trading overdraft		13	9	13
		15,236	6,183	12,399
Net current assets		5,272	5,598	4,372
Total assets less current liabilities		9,215	9,347	8,129
Net assets		9,215	9,347	8,129
Equity				
Called up share capital	13	133	133	112
Share premium account		6,972	6,972	2,430
Reserves		1,937	2,116	5,502
Capital and reserves attributable to equity holders of the Company		9,042	9,221	8,044
Non-controlling interests	8	173	126	85
Total equity		9,215	9,347	8,129

The condensed consolidated financial statements were approved by the Board of Directors on 19 September 2016 and signed on its behalf by:

SUSIE FARNON
DIRECTOR:

BRIAN O'MAHONEY
DIRECTOR:

The notes on pages 17 - 29 form part of these consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

	Notes	Unaudited 30 June 2016 £000	Unaudited 30 June 2015 £000
Cash flows from operations			
Operating profit		1,002	1,223
Adjustments for:			
Depreciation of property, plant and equipment	10	51	49
Amortisation of intangible assets	9	71	55
Share based payment expense	15	155	44
Market making adjustments		-	(68)
(Profit) / loss on disposal of non-current assets		(1)	-
Operating cash flows before movements in working capital		1,278	1,303
(Increase) / decrease in trading investments		(18)	79
(Increase) / decrease in receivables		(8,509)	(4,831)
Increase / (decrease) in payables		9,048	4,130
Cash generated by operations		1,799	681
Interest paid		-	(1)
Taxation paid		(59)	1
Net cash from operating activities		1,744	681
Cash flows from investing activities			
Interest received		2	1
Acquisition of subsidiary		-	(876)
Purchase of intangible assets	9	(117)	(84)
Purchase of property, plant and equipment	10	(185)	(14)
Sale of property, plant and equipment		1	-
Net cash (used in) investing activities		(299)	(973)
Cash flows from financing activities			
Acquisition of own shares subsequently held in treasury	16	(204)	-
Disposal of own shares held in treasury	16	102	-
Issue of new share capital		-	60
Dividends paid	7	(1,081)	(855)
Withholding tax paid		(54)	(22)
Net cash (used in) financing activities		(1,237)	(817)
Net increase / (decrease) in cash and cash equivalents		204	(1,109)
Net cash and cash equivalents at the beginning of the period		2,056	3,838
Net cash and cash equivalents at the end of the period		2,260	2,729
Represented by:			
Cash and cash equivalents		2,273	2,742
Trading overdraft		(13)	(13)

The notes on pages 17 - 29 form part of these consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

	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	Unaudited Total Equity £000
At 31 December 2014 (Audited)		106	546	5,251	5,903	-	5,903
Total comprehensive income for the period		-	-	1,163	1,163	27	1,190
Own shares issued in the period		6	1,826	-	1,832	-	1,832
NCI on acquisition		-	-	-	-	58	58
Credit to equity for equity-settled share based payments		-	-	44	44	-	44
Dividends paid		-	-	(898)	(898)	-	(898)
At 30 June 2015 (Unaudited)		112	2,372	5,560	8,044	85	8,129
Total comprehensive income for the period		-	-	(1,918)	(1,918)	41	(1,877)
Own shares purchased in the period		-	-	(37)	(37)	-	(37)
Own shares sold in the period		-	-	24	24	-	24
Charge to reserves on exercise of share based payment schemes		-	-	(297)	(297)	-	(297)
Own shares issued in the period		21	4,600	-	4,563	-	4,563
Credit to equity for equity-settled share based payments		-	-	55	55	-	55
Dividends paid		-	-	(1,271)	(1,271)	-	(1,271)
At 31 December 2015 (Audited)		133	6,972	2,116	9,221	126	9,347
Total comprehensive income for the period		-	-	894	894	47	941
Own shares purchased in the period	16	-	-	(204)	(204)	-	(204)
Own shares sold in the period	16	-	-	102	102	-	102
Credit to equity for equity-settled share based payments	15	-	-	155	155	-	155
Dividends paid	7	-	-	(1,127)	(1,127)	-	(1,127)
At 30 June 2016 (Unaudited)		133	6,972	1,937	9,042	173	9,215

The notes on pages 17 - 29 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

1. CORPORATE INFORMATION & NATURE OF OPERATIONS

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.

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. GENERAL INFORMATION AND BASIS OF PREPARATION

These condensed consolidated financial statements should be read in conjunction with the annual report for the year ended 31 December 2015, which have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union.

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

Seasonality

The impact of seasonality or cyclicity on operations is not regarded as significant to the condensed consolidated financial statements.

Estimates

The preparation of the condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2015. These can be found on our website at www.ravenscroft.gg

3. SIGNIFICANT ACCOUNTING POLICIES

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 consolidated financial statements for the year ended 31 December 2015 which were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

4. 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.

	Broking - Channel Islands £000	Asset Management £000	Corporate Finance £000	Unallocated* £000	Channel Islands Total £000	Broking - United Kingdom £000	Consolidated £000
Operating segment information for the period ended 30 June 2016:							
Revenue	2,157	1,475	1,419	-	5,052	1,023	6,074
Operating profit	72	356	332	-	760	242	1,002
Finance income	1	0	-	-	1	0	2
Finance costs	-	-	-	-	-	-	-
Profit / (loss) before tax	73	356	332	-	761	242	1,003
Tax	(10)	-	-	-	(10)	(54)	(64)
Profit / (Loss) for the year	63	356	332	-	751	188	939
Segment assets	19,255	852	455	1,518	22,080	2,371	24,451
Segment liabilities	(13,513)	(209)	(459)	(653)	(14,834)	(402)	(15,236)

4. SEGMENT INFORMATION (continued)

	Broking - Channel Islands £000	Asset Management £000	Corporate Finance £000	Unallocated* £000	Channel Islands Total £000	Broking - United Kingdom £000	Consolidated £000
Operating segment information for the period ended 30 June 2015:							
Revenue	2,330	1,344	1,476	-	5,150	521	5,671
Operating profit	254	417	401	-	1,072	151	1,223
Finance income	1	0	-	-	1	0	1
Finance costs	(1)	-	-	-	(1)	-	(1)
Profit before tax	254	417	401	-	1,072	151	1,223
Tax	(4)	-	-	-	(4)	(29)	(33)
Profit for the year	250	417	401	-	1,068	122	1,190
Segment assets	15,378	953	151	1,107	17,589	2,939	20,528
Segment liabilities	(10,118)	(82)	(37)	(1,311)	(11,548)	(851)	(12,399)

*Un-allocated 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)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

5. TAXATION

Tax payable

	Unaudited 30 June 2016 £000	Audited 31 December 2015 £000	Unaudited 30 June 2015 £000
Income tax payable			
Tax charge borne by subsidiaries operating in Jersey	-	(7)	(5)
UK corporation tax charge	(164)	(153)	(280)
Total income tax payable	(164)	(160)	(285)

Analysis of the tax charge

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

Guernsey Income Tax at 0% based on profit for the period	-	-	-
Tax charge borne by subsidiaries operating in Jersey	10	3	4
UK corporation tax charge	54	68	29
Total income tax expense	64	71	33

6. EARNINGS PER SHARE

Earnings	Unaudited 30 June 2016 £000	Unaudited 30 June 2015 £000
Earnings for the purpose of basic earnings per share (net profit attributable to equity holders of the parent)	894	1,163
Earnings for the purposes of diluted earnings per share	894	1,163
Number of shares	No.	No.
Weighted average number of shares for the purpose of basic earnings per share	13,278,450	11,056,862
Basic EPS (pence)	6.73	10.52
Effect of dilutive potential of ordinary shares	-	737,271
Weighted average number of shares for the purposes of diluted earnings per share	13,278,450	11,794,133
Diluted EPS (pence)	6.73	9.87

The dilution in 2015 arose from the potential exercise of share options. As at 30 June 2016 there was no dilutive effect from the current issued share options, as they were out of the money, as the then price of Ravenscroft Limited shares had not passed the hurdle rate.

7. DIVIDENDS PAID

	Unaudited 30 June 2016 £000	Unaudited 30 June 2015 £000
Amounts recognised as distributions to equity holders in the period:		
Final dividend to Ravenscroft Limited shareholders for the year ended 31 December 2015 of 8p (31 December 2014: 8p) per share	1,059	898
Final dividend to non-controlling interest shareholders of A Vartan Limited for the year ended 31 December 2015	68	-
	1,127	898

The proposed interim dividend for 2016 of 4.25p (2015: 4.25p) per share was approved by the Board on 13 September 2016 and has not been included as a liability as at 30 June 2016. The dividend will be payable on 05 October 2016 to all shareholders on the register as at 28 September 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

8. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

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 Company 30 June		Ownership interest held by the Non-controlling interests 30 June	
			2016	2015	2016	2015
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%	75%	25%	25%

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.

9. OTHER INTANGIBLE ASSETS

At 30 June 2016 the Group had intangible assets (excluding goodwill) with a net book value of £382k (30 June 2015: £407k; 31 December 2015: £399k). During the period the Group capitalised £117k (six month period 30 June 2015: £84k; year ended 31 December 2015: £156k) of spending on intangible assets which mostly related to software development. The amortisation for the period was £71k (six month period ended 30 June 2015: £55k; year ended 31 December 2015: £135k).

10. PROPERTY, PLANT AND EQUIPMENT

At 30 June 2015 the Group had property, plant and equipment with a net book value of £446k (30 June 2015: £235k; 31 December 2015: £235k). During the period the Group capitalised £185k (six month period 30 June 2015: £14k; year ended 31 December 2015: £68k) of spending on tangible assets which mostly related to Land & Buildings additions related to the Jersey office move. The depreciation for the period was £51k (six month period ended 30 June 2015: £49k; year ended 31 December 2015: £98k).

11. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2016 £000	Audited 31 December 2015 £000	Unaudited 30 June 2015 £000
Amounts falling due within one year:			
Prepayments and accrued income	2,256	1,926	1,990
Market and client receivables	15,898	7,726	12,009
Total	18,154	9,652	13,999

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

12. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2016 £000	Audited 31 December 2015 £000	Unaudited 30 June 2015 £000
Amounts falling due within one year:			
Accrued expenses	1,188	1,310	1,538
Deferred income	92	122	145
Market and client payables	13,779	4,582	10,418
Total	15,059	6,014	12,101

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

13. SHARE CAPITAL

	Unaudited 30 June 2016 No.	Audited 31 December 2015 No.	Unaudited 30 June 2015 No.
Authorised:			
Ordinary shares of £0.01	15,000,000	15,000,000	15,000,000
Allotted, issued and fully paid:			
Ordinary shares of £0.01	13,278,450	13,278,450	11,212,000

	Unaudited 30 June 2016 £000	Audited 31 December 2015 £000	Unaudited 30 June 2015 £000
Authorised:			
Ordinary shares of £0.01	150	150	150
Allotted, issued and fully paid:			
Ordinary shares of £0.01	133	133	112

There have been no changes in the share capital of Ravenscroft Limited for the six month period ended 30 June 2016.

14. FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements. They should be read in conjunction with the Group's annual financial statements as at 31 December 2015. These can be found on our website at www.ravenscroft.gg

There have been no changes to the risk management policies since the year end.

Risk management activities

For details of the Group's risk management activities see the 2015 Annual Report.

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 2016, the Group held the following financial instruments measured at fair value:

	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at FVTPL (Unaudited)				
Trading investments - long positions	81	-	-	81

As at 31 December 2015, the Group held the following financial instruments measured at fair value:

	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at FVTPL (Audited)				
Trading investments - long positions	63	-	-	63

During the six-month period ended 30 June 2016 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.

There were no changes in valuation techniques during the period.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

15. SHARE BASED PAYMENTS AND OTHER EMPLOYEE BENEFITS

The Company operates two Long Term Incentive Plans:

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.

This equity-settled scheme is revalued at each period end as there is no grant date for the purposes of establishing fair value as the awards will only be made to employees on vesting date if in the money. As employees have begun providing services an estimate is made of the future grant date fair value at each period end for the purpose of recognising the expense until vesting date.

	Approval date	Vesting date	Remaining contractual life (months)	Estimated fair value £000	Expensed through Profit or Loss 2016 £000
	Dec-15	Dec-18	30	957	104

Expensed through profit or Loss for 2015: £76k.

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 30 June 2016	375p
Adjusted share price to reflect liquidity (20% discount)	300p
Expected volatility	12.9%
Expected share price growth	8.0%
Discount Rate	0.4%

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 period end in respect of the plan are as follows:

Outstanding at the beginning of the period	1,072,500
Granted during the period	-
Exercised during the period	-
Lapsed during the period	(20,000)
Outstanding at the end of the period	1,052,500

15. 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 2016 £000
	Oct-15	Oct-18	Oct-25	113	1,052,500	309	51

Expensed through profit or Loss for 2015: £23k.

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%

16. OWN SHARES

The Ravenscroft 2016 Employee Benefit Trust ("REBT-2016")

Following approval of a new employee share option scheme by Shareholders at the Extraordinary General Meeting held on 15 October 2015 the Group established The Ravenscroft 2016 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 30 June 2016 REBT-2016 owned 38,045 (31 December 2015: 10,545) ordinary £0.01 shares with a book cost of £139k (31 December 2015: £37k). The REBT-2016 has waived its rights to dividends.

	Unaudited 30 June 2016		Audited 31 December 2015	
	Number of shares	Cost £000	Number of shares	Cost £000
At 1 January	10,545	37	-	-
Acquired in the period	55,000	204	26,195	92
Disposed of in the period	(27,500)	(102)	(15,650)	(55)
At 30 June	38,045	139	10,545	37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

17. CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

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:

Balance of transactions as at:

	Unaudited 30 June 2016 £000	Audited 31 December 2015 £000	Unaudited 30 June 2015 £000
Due from / (due to)			
Ravenscroft Investment Management Limited	(2,742)	(1,634)	(937)
Ravenscroft Jersey Limited	(369)	(50)	(184)
Ravenscroft Services Limited	3,282	359	51
A Vartan Limited	(12)	-	6
Ravenscroft Employment Benefit Trust	139	37	(24)
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 £81k (2015: £63k).

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'.

	Unaudited 30 June 2016 £000	Unaudited 30 June 2015 £000
Short-term employment benefits	735	1,005
Equity compensation benefits	307	44

Transactions with Directors

	30 June 2016	30 June 2015
Directors' interests in Ordinary Shares of Ravenscroft Limited		
Number of shares	6,668,855	3,310,100
Percentage interest in the Company's share capital	50.2%	29.5%

The current Directors had interests in ordinary shares in the Company as at 31 December 2015 of 6,639,000 shares representing 49.99% interest in the Company's share capital.

17. CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS (continued)

Directors' interests in share options in Ravenscroft Limited

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

	30 June 2016		30 June 2015	
	Number	Weighted avg exercise price	Number	Weighted avg exercise price
Directors' interests in share options of Ravenscroft Limited:				
Outstanding at the beginning of the period	300,000	375	220,000	136p
Exercised during the period	-	-	-	-
Lapsed during the period	-	-	-	-
Outstanding at the end of the period	300,000	375	220,000	136p

There have been no changes in the current executive Directors interests in options over ordinary shares in the Company since 31 December 2015.

18. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 13 September 2016, the Board approved a proposed amalgamation between the Company and wholly owned subsidiary Ravenscroft Jersey Limited ("RJL"), pursuant to which the Company would be the surviving or "amalgamated" company. The Company and RJL have entered into a Merger Agreement / Amalgamation Proposal dated 13 September 2016 (the "Merger Agreement"). Subject to certain conditions being satisfied, as set out in the Merger Agreement, the Merger is expected to become effective on or shortly after 20 October 2016.

The Directors have declared an interim dividend of 4.25p per share, which was approved by the Board on 13 September 2016, and will be paid on 05 October 2016.

19. APPROVAL OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements were approved by the Board on 19 September 2016.

COMPANY INFORMATION

INTERIM REPORT 2016

RAVENSCROFT LIMITED (the “Company”)

DIRECTORS

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

COMPANY SECRETARY

D J McGall (resigned 13 September 2016) (Group Company Secretary)
S Hamon (appointed 13 September 2016) (Group Company Secretary)

OFFICERS

S-P M Lawrence (Head of Group Compliance)

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 Gategny Esplanade
St Peter Port
Guernsey
GY1 4ND

