

Company No. **5107012**

JARVIS SECURITIES PLC

FINANCIAL STATEMENTS

For the interim period to 30 June 2015

Corporate information

DIRECTORS:	A J Grant – Chairman and Chief Executive Officer N J Crabb – Business Development and Client Services Director J C Head – Finance Director G McAusland – Non Executive Director	
SECRETARY:	J C Head	
REGISTERED OFFICE:	78 Mount Ephraim Royal Tunbridge Wells TN4 8BS	
REGISTERED NUMBER:	5107012	
AUDITORS:	Crowe Clark Whitehill LLP 10 Palace Avenue Maidstone ME15 6NF	
REGISTRAR:	Share Registrars Ltd Suite E First Floor 9 Lion & Lamb Yard Farnham Surrey GU9 7LL	
BANKERS:	NatWest Bank 89 Mount Pleasant Road Tunbridge Wells Kent TN1 1QJ	
SOLICITORS:	Thomson Snell & Passmore 3 Lonsdale Gardens Royal Tunbridge Wells TN1 1NX	K&L Gates LLP 1 New Change London EC4M 9AF

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Highlights

- £242,711 (6.5%) increase in revenue versus six months to 30 June 2014
- £113,510 (6.7%) increase in profit before tax versus six months to 30 June 2014
- Cash under administration has increased 14.3% versus 30 June 2014
- Client numbers have increased 7% versus 30 June 2014
- Special dividend of 10p per ordinary share paid to shareholders on 16 July 2015

Chairman's statement

Shortly after the publication of the half year results in July last year, Jarvis shares were trading at around 535p - historically its highest price. Twelve months on and we are reporting an improved set of financial results and have just paid a special dividend in addition to the usual quarterly interims, at the time of writing our share price is 415p. During the intervening period the price has fallen as low as 360p, some 33% below its peak level. This prompted some shareholders to contact management directly to enquire why the share price was falling.

Under the AIM Rules for Companies we must announce, amongst other reasons, if there is any significant news that could materially impact the business or its profitability, be that in a positive or negative way. We are also required to announce if we have good reason to believe that our profitability will be materially different to our published broker forecasts, the materiality threshold is generally considered to be about 10%. We had not made any such announcement, nor was there any need to. We believe the share price was falling for one simple reason – market forces, shareholders were willing to sell at a lower price and buyers were more than happy to buy at that price.

This might seem like a long winded way of explaining the basic concepts of supply and demand, but the point I want to emphasis is that the management of Jarvis do not control the share price of Jarvis. It is set by the market. Our role is to comply with the AIM Rules for Companies, which includes providing the market with timely and accurate financial information and being as transparent as possible in our shareholder communications and dividend policy. Market participants digest and act upon that information as they see fit.

At Jarvis we focus on what we can control and on providing a high quality, low cost share dealing and settlement service to retail clients and institutions. We ensure we are operating as efficiently as possible, and that growth is profitable. We focus on ensuring that the business continues to generate cash, and the cash in the form of dividends can be returned to shareholders.

We believe the half year numbers speak for themselves and we anticipate 2015 will be another good year. Trade volumes across the market are currently healthy, and more encouragingly the Bank of England now appear more hawkish about increasing interest rates than at any time since the financial crisis. Even marginally higher interest rates should improve Jarvis profitability.

As is customary I would like to thank all Jarvis staff for their ongoing contribution to the business.



Andrew J Grant
Chairman

Key performance indicators (KPI)

The key performance indicators (KPIs) are designed to give stakeholders in the business a more rounded view of the Group's performance. Further details on the KPIs and their measurement can be found in the last Annual Report. A selection of KPIs and the Group's results to the interim period for these are detailed below. These results have been annualised from the position at 30 June 2014 where measurement over a year is required.

KPI:	30/6/15	30/6/14	Target
Profit before tax margin	45%	45%	20%
Revenue per employee (<i>annualised</i>)	£185,049	£186,792	to increase
Growth in client numbers (<i>annualised</i>)	6.7%	24.6%	10%

Company No.: 5107012

Consolidated income statement for the period ended 30 June 2015

		Six months ended	Six months ended
	Notes	30/6/15	30/6/14
		£	£
Continuing operations			
Revenue		3,978,543	3,735,832
Administrative expenses		(2,183,164)	(2,048,112)
Finance costs		-	(5,851)
Profit before income tax		1,795,379	1,681,869
Income tax charge	4	(363,564)	(361,602)
Profit for the period		1,431,815	1,320,267
Attributable to equity holders of the parent		1,431,815	1,320,267
Earnings per share			
	5	P	P
Basic		12.88	12.08
Diluted		12.85	12.00

Consolidated statement of financial position at 30 June 2015

<i>Notes</i>	30/6/15	31/12/14	30/6/14
	£	£	£
Assets			
<i>Non-current assets</i>			
Property, plant and equipment	237,260	243,348	245,750
Intangible assets	202,789	230,722	255,606
Goodwill	342,872	342,872	342,872
Investments held to maturity	-	-	254,963
	782,921	816,942	1,099,191
<i>Current assets</i>			
Trade and other receivables	3,914,465	2,674,034	3,586,951
Investments held for trading	13,650	13,626	38,450
Cash and cash equivalents	17,688,121	8,296,385	9,549,332
Investments held to maturity	-	246,979	-
	21,616,236	11,231,024	13,174,733
Total assets	22,399,157	12,047,966	14,273,924
Equity and liabilities			
<i>Capital and reserves</i>			
Share capital	7 111,503	111,200	111,200
Share premium	1,520,119	1,467,485	1,467,485
Merger reserve	9,900	9,900	9,900
Capital redemption reserve	9,845	9,845	9,845
Share option reserve	136,556	136,556	134,763
Retained earnings	3,398,542	2,955,642	2,706,747
Own shares held in treasury	(91,810)	-	-
Total equity	5,094,655	4,690,628	4,439,940
<i>Current liabilities</i>			
Trade and other payables	17,128,783	7,055,111	9,437,753
Deferred income tax	23,919	23,919	410
Income tax	4 151,800	278,308	395,821
	17,304,502	7,357,338	9,833,984
Total equity and liabilities	22,399,157	12,047,966	14,273,924

Six months ended

Consolidated statement of comprehensive income

	30/6/15	30/6/14
Profit for the period	1,431,815	1,320,267
Total comprehensive income for the period	1,431,815	1,320,267
Attributable to equity holders of the parent	1,431,815	1,320,267

Consolidated statement of changes in equity for the period

	Share capital	Share premium	Merger reserve	Capital redemption reserve	Share option reserve	Retained earnings	Own shares held in treasury	Attributable to equity holders of the company
	£	£	£	£	£	£	£	£
Balance at 31/12/13	107,825	1,061,972	9,900	9,845	129,162	2,263,396	-	3,582,100
Issue of shares	3,375	405,513	-	-	-	-	-	408,888
Expense of employee options	-	-	-	-	5,601	-	-	5,601
Profit for the period	-	-	-	-	-	1,320,267	-	1,320,267
Dividends	-	-	-	-	-	(876,916)	-	(876,916)
Balance at 30/6/14	111,200	1,467,485	9,900	9,845	134,763	2,706,747	-	4,439,940
Issue of shares	-	-	-	-	-	-	-	-
Expense of employee options	-	-	-	-	1,793	-	-	1,793
Profit for the period	-	-	-	-	-	1,193,943	-	1,193,943
Dividends	-	-	-	-	-	(945,048)	-	(945,048)
Balance at 31/12/14	111,200	1,467,485	9,900	9,845	136,556	2,955,642	-	4,690,628
Exercise of employee options	303	52,634	-	-	-	-	-	52,937
Profit for the period	-	-	-	-	-	1,431,815	-	1,431,815
Dividends	-	-	-	-	-	(891,036)	-	(891,036)
Purchase of own shares held in treasury	-	-	-	-	-	-	(272,368)	(272,368)
Sale of own shares held in treasury	-	-	-	-	-	(97,879)	180,558	82,679
Balance at 30/6/15	111,503	1,520,119	9,900	9,845	136,556	3,398,542	(91,810)	5,094,655

Consolidated statement of cashflows for the period ended 30 June 2015

	Six months ended	
	30/6/15	30/6/14
	£	£
Cash flow from operating activities		
Profit before tax	1,795,379	1,681,869
Finance cost	-	5,851
Depreciation charges	6,089	9,182
Amortisation charges	27,933	38,962
Share options	-	5,602
	1,829,401	1,741,466
(Increase) in receivables	(1,240,431)	(867,029)
Increase / (Decrease) in payables	10,073,672	(658,112)
(Increase) in investments held for trading	(24)	(32,693)
Cash generated from operations	10,662,618	183,632
Interest paid	-	(5,851)
Income tax (paid)	(490,072)	(500,000)
Net cash from operating activities	10,172,546	(322,219)
Cash flows from investing activities		
Sale of investments	246,979	-
Purchase of intangible assets	-	(4,862)
Purchase of tangible fixed assets	-	(1,276)
	246,979	(6,138)
Cash flows from financing activities		
Issue of ordinary share capital	52,937	408,887
Purchase of own shares held in treasury	(272,368)	-
Sale of own shares held in treasury	82,678	-
Dividends to equity shareholders	(891,036)	(876,916)
Net cash used in financing activities	(1,027,789)	(468,029)
Net (decrease)/increase in cash & cash equivalents	9,391,736	(796,386)
Cash and cash equivalents at 1 January	8,296,385	10,345,718
Cash and cash equivalents at 30 June	17,688,121	9,549,332

Notes forming part of the interim financial statements

1. Basis of preparation

The interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting. These interim financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements (July 2015).

These consolidated interim financial statements have been prepared in accordance with the accounting policies set out below, which have been consistently applied to all the periods presented. These accounting policies comply with applicable IFRS standards and IFRIC interpretations issued and effective at the time of preparing these statements.

At the date of authorisation of these interim financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 14 Regulatory Deferral Accounts

IFRS 15 Revenue from Contracts with Customers

IFRS 9 Financial Instruments

IFRS 11 Amendments: Accounting for Acquisitions of Interests in Joint Operations

IAS 16 and IAS 38 Amendments: Clarification of Acceptable Methods of Depreciation and Amortisation

IAS 16 and IAS 41 Amendments: Agriculture: Bearer Plants

IAS 27 Amendment – Equity Method in Separate Financial Statements

IFRS 10 and IAS 28 Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Adoption of these Standards and Interpretations is not expected to have a material impact on the financial statements of the Company or Group.

The preparation of these interim financial statements in accordance with IFRS requires the use of certain accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where the assumptions and estimates are significant to the consolidated interim financial statements are disclosed in Note 9.

The financial information contained in this report, which has not been audited, does not constitute statutory accounts as defined by Section 434 of the Companies Act 2006. The auditors' report for the 2014 accounts was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

2. Accounting policies

(a) Revenue

Income is recognised as earned in the following way:

Commission – we charge commission on a transaction basis. Commission rates are fixed according to account type. When a client instructs us to act as an agent on their behalf (for the purchase or sale of securities) our commission is recognised as income. Our commission is deducted from the cash given to us by the client in order to settle the transaction on the client's behalf or from the proceeds of the sale in instance where a client sells securities.

Management fees – these are charged quarterly or bi-annually depending on account type. Fees are either fixed or are a percentage of the assets under administration. Fees are accrued up to the time they are charged using a day count and most recent asset level basis as appropriate.

Interest income - this is accrued on a day count basis. In accordance with FCA requirements, deposits are only held with banks that meet CASS regulations and the parameters set out in The Company's client money policy.

(b) Basis of consolidation

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases. The group financial statements consolidate the financial statements of Jarvis Securities plc, Jarvis Investment Management Limited, JIM Nominees Limited, Galleon Nominees Limited and Dudley Road Nominees Limited made up to 30 June 2015.

The Group uses the purchase method of accounting for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The cost of acquisition over the fair value of the Group's share of identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised in the income statement.

Intra-group sales and profits are eliminated on consolidation and all sales and profit figures relate to external transactions only. No profit and loss account is presented for Jarvis Securities plc as provided by S408 of the Companies Act 2006.

(c) Property, plant and equipment

All property, plant and equipment is shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on cost in equal annual instalments over the lives of the assets at the following rates:

Leasehold improvements	-	33% on cost, or over the lease period if less than 3 years
Motor vehicles	-	15% on cost
Office equipment	-	20% on cost
Land & Buildings	-	Buildings are depreciated at 2% on cost. Land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. Impairment reviews of property, plant and equipment are undertaken if there are indications that the carrying values may not be recoverable or that the recoverable amounts may be less than the asset's carrying value.

(d) Intangible assets

Intangible assets are carried at cost less accumulated amortisation. If acquired as part of a business combination the initial cost of the intangible asset is the fair value at the acquisition date. Amortisation is charged to administrative expenses within the income statement and provided on cost in equal annual instalments over the lives of the assets at the following rates:

Databases	-	4% on cost
Customer relationships	-	7% on cost
Software developments	-	20% on cost
Website	-	33% on cost

Impairment reviews of intangible assets are undertaken if there are indications that the carrying values may not be recoverable or that the recoverable amounts may be less than the asset's carrying value.

(e) Goodwill

Goodwill represents the excess of the fair value of the consideration given over the aggregate fair values of the net identifiable assets of the acquired trade and assets at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Any negative goodwill arising is credited to the income statement in full immediately.

(f) Deferred income tax

Deferred income tax is provided in full, using the liability method, on differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting or taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the timing difference is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

(g) Segmental reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The directors regard the operations of the Group as a single segment.

(h) Pensions

The group operates a defined contribution pension scheme. Contributions payable for the year are charged to the income statement.

(i) Trading balances

Trading balances incurred in the course of executing client transactions are measured at initial recognition at fair value. In accordance with market practice, certain balances with clients, Stock Exchange member firms and other counterparties are included as trade receivables and payables. The net balance is disclosed where there is a legal right of set off.

(j) Operating leases and finance leases

Costs in respect of operating leases are charged on a straight line basis over the lease term in arriving at the profit before income tax. Where the company has entered into finance leases, the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than right to legal title.

(k) Investments

The Group classifies its investments in the following categories: investments held to maturity, investments held for trading and available-for-sale investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Investments held to maturity

Investments held to maturity are stated at cost. Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity. Assets in this category are classified as non-current unless they are due to mature in the 12 months following the balance sheet date.

Investments held for trading

Investments held for trading are stated at fair value. An investment is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current.

Purchases and sales of investments are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership. Realised and unrealised gains and losses arising from changes in fair value of investments held for trading are included in the income statement in the period in which they arise. Unrealised gains and losses arising in changes in the fair value of available-for-sale investments are recognised in equity. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair value of quoted investments is based on current bid prices. If the market for an investment is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, or discounted cash flow analysis refined to reflect the issuer's specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that an investment is impaired. In the case of investments classified as available-for-sale, a significant or prolonged decline in the fair value below its cost is considered in determining whether the security is impaired.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less provision for any impairment in value.

(l) Foreign exchange

The group offers settlement of trades in sterling as well as various foreign currencies. The group does not hold any assets or liabilities other than in sterling and converts client currency on matching terms to settlement of trades realising any currency gain or loss immediately in the income statement. Consequently the group has no foreign exchange risk.

(m) Share capital

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds, net of income tax. Where the company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income tax), is deducted from equity attributable to the company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Current income tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year.

(p) Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which interim dividends are notified to shareholders and final dividends are approved by the company's shareholders.

(q) Share based payments

The Group applies the requirements of IFRS 2 Share-based Payment and IFRIC 11.

The Group issues equity-settled share-based payments to certain employees and other personnel. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effects of non market-based vesting conditions.

Fair value is measured by use of a Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

3. Segmental information

All of the reported revenue and operational results for the period derive from the Group's continuing financial services operations.

4. Income tax charge

Interim period income tax is accrued based on an estimated average annual effective income tax rate of 20.25%.

5. Earnings per share

	Six months ended 30/6/15			Six months ended 30/6/14		
	Earnings	Weighted average no. of shares	Per share amount	Earnings	Weighted average no. of shares	Per share amount
	£	£	p	£	£	p
Earnings attributable to ordinary shareholders	1,431,815	11,112,870	12.88	1,320,267	10,932,549	12.08
Dilutive effect of options	-	32,500	-	-	69,931	-
Diluted earnings per share	1,431,815	11,145,370	12.85	1,320,267	11,002,480	12.00

6. Dividends

During the interim period dividends totalling 8p (2014: 8p) per ordinary share were declared and paid. On 16th June 2015 a special dividend of 10p per share was declared. This was paid on 16th July 2015.

7. Share capital

During the interim period 302,500 new Ordinary 1p shares in the company were issued to satisfy the exercise of options by employees of the Group.

8. Interim measurement

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

9. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year relate to goodwill, intangible assets and the expense of employee options.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2 (e). These calculations require the use of estimates.

The Group considers at least annually whether there are indications that the carrying values of intangible assets may not be recoverable, or that the recoverable amounts may be less than the asset's carrying value, in which case an impairment review is performed. These calculations require the use of estimates.

10. Related party transactions

The company has a lease with Sion Properties Limited, a company controlled by A J Grant by virtue of his majority shareholding, for the rental of 78 Mount Ephraim, a self-contained office building. The lease has an annual rental of £63,500, being the market rate on an arm's length basis, and expires on 26 September 2017.

Sion Holdings Limited, a company controlled by A J Grant by virtue of his majority shareholding, had £293 (2014: £100) deposited with Jarvis Investment Management Limited at 30 June 2015.

11. Capital commitments

At 30 June the company had no material capital commitments.

12. Assets impairment review

The Group considers at least annually whether there are indications that the carrying values of intangible assets may not be recoverable, or that the recoverable amounts may be less than the asset's carrying value, in which case an impairment review is performed. These calculations require the use of estimates. The Group also calculates the implied levels of variables used in the calculations at which impairment would occur.



Crowe Clark Whitehill™

INDEPENDENT REVIEW REPORT TO JARVIS SECURITIES PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2015 which comprises the consolidated income statement, consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cashflows and the related 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 financial statements.

This report is made solely to the company, as a body, in accordance with our instructions. Our review has been undertaken so that we might state to the company those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of 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 financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Auditing Practices Board for use in the United Kingdom. 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 (UK and Ireland) 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 financial statements in the half-yearly financial report for the six months ended 30 June 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union.

Crowe Clark Whitehill LLP
Statutory Auditor

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