

RAVENSCROFT
HOLDINGS LIMITED
UNAUDITED
INTERIM REPORT
FOR THE SIX MONTHS
ENDED 30 JUNE 2019



hello



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BUSINESS AND FINANCIAL HIGHLIGHTS

INTERIM REPORT 2019

Revenue increased by 39% to

£14.40m

(30 June 2018: £10.35m)

Recurring revenue increased by 30% to

£8.95m

(30 June 2018: £6.87m)

Non-recurring revenue increased by 56% to

£5.45m

(30 June 2018: £3.48m)

Trading profit¹ increased by 99% to

£4.14m

(30 June 2018: £2.08m)

Statutory profit before tax increased by 197% to

£4.09m

(30 June 2018: £1.38m)

Statutory basic earnings per share increased by 205% to

27.66p

(30 June 2018: 9.06p)

Total Assets Under Administration ("AUA") increased by 57% year on year to

£7.36b

(31 December 2018: £6.41b, 30 June 2018: £4.68b).

Included in the year on year increase is £2.01b of AUA from the acquisition of Ravenscroft Cash Management Limited and Ravenscroft Custody Services Limited on 31 October 2018.

The Board declares a dividend of

5.50p

per share in respect of the period 1 January 2019 to 30 June 2019 (2018: 5.25p per share)



Financial Calendar



20 September 2019

Dividend declaration date and publication of the unaudited interim report 2019

27 September 2019

Ex-dividend date

30 September 2019

Dividend record date

08 October 2019

Dividend payment date

¹This represents operating profit before share based payments expense. Refer to the Group Managing Director's review on pages 04-05 for the calculation of trading profit. Trading profit is used by the Board to evaluate the performance of the Group.



COMPANY INFORMATION

INTERIM REPORT 2019

RAVENSCROFT HOLDINGS LIMITED (THE “COMPANY”)

DIRECTORS

S P Lansdown CBE

(Non-Executive Chairman)

D C Jones

(Independent Non-Executive Director)

C D Barling

(Non-Executive Director & Senior Independent Director)

R A Hutchinson

(Independent Non-Executive Director)

J R Ravenscroft

(Group Chief Executive Officer)

M L C Bousfield

(Group Managing Director)

B M O'Mahoney

(Group Finance Director)

COMPANY SECRETARY

J Cook

(Group Company Secretary)

REGISTERED OFFICE

(effective 1 March 2019)

PO Box 222

20 New Street

St Peter Port

Guernsey GY1 4JG

FORMER REGISTERED OFFICE

PO Box 222

Level 5

The Market Buildings

Fountain Street

St Peter Port

Guernsey GY1 4JG

REGISTERED NUMBER

61986 (Guernsey)

TISE LISTING SPONSOR

Carey Olsen Corporate Finance Limited

Carey House

Les Banques

St Peter Port

Guernsey GY1 4BZ

INDEPENDENT AUDITOR

PricewaterhouseCoopers CI LLP

Royal Bank Place

1 Gategny Esplanade

St Peter Port

Guernsey GY1 4ND



GROUP MANAGING DIRECTOR'S REVIEW

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2019



I am delighted to report that Ravenscroft has, in addition to our much-publicised move into our new Guernsey headquarters, continued to grow and thrive over the first six months of 2019. The multi-jurisdictional growth of our business is testament to the hard work of our staff and their unwavering focus on our clients and their needs. It is also in no small part thanks to the support of our clients and shareholders, during what has been a period of heightened economic and political uncertainty.

The teams that offer our newer services have been particularly busy during the first half of the year. Our Cash Management team participated in large, well-established events such as the AIRMIC conference, where they took a stand alongside many of the world's largest and most recognisable industry names. BullionRock (Ravenscroft Precious Metals Limited) has seen a flurry of new business as investors seek a familiar haven for their cash, or look to diversify their existing investments.

The discretionary investment management team has delivered excellent returns across all strategies and the majority of the Huntress Funds' performance is top quartile over the period in their respective Investment Association sectors. Subscriptions into the funds have shown a steady, positive trend and we are delighted with the continued growth of AUA.

Our Advisory Broking team has assisted in raising funds for the recent listing of SandpiperCI Group Limited on The International Stock Exchange. As a predominantly Channel Islands based business it is particularly rewarding to be able to offer our clients the opportunity to invest into their local economy, services and people.

Our Corporate Finance team has continued to identify niche opportunities within the Channel Islands and in late 2018 launched a new investment vehicle, the RED fund, which is mandated to invest into commercial and residential property opportunities in the Channel Islands. The fund hit the ground running this year and has already made a number of investments and is actively investigating a significant number of further proposals. In addition, the Technology & Innovation Cell of the Guernsey Investment Fund completed a number of investments in the first half of the year resulting in over £19 million being invested since it launched in early 2018.

In numerical terms, our AUA, revenue and profitability have all grown substantially when compared to the first six months of 2018, and positively reflect the progress of the business over the last year.

We continue to invest into, and build upon, our operating infrastructure which will provide for a superior client experience in the future, coupled with greater scalability for the business.

Whilst it seems inevitable that chaotic times are ahead of us in terms of the changing political environment, Ravenscroft remains clear and steadfast in its ambition to provide high quality investment services to a broad array of clients across a number of jurisdictions.

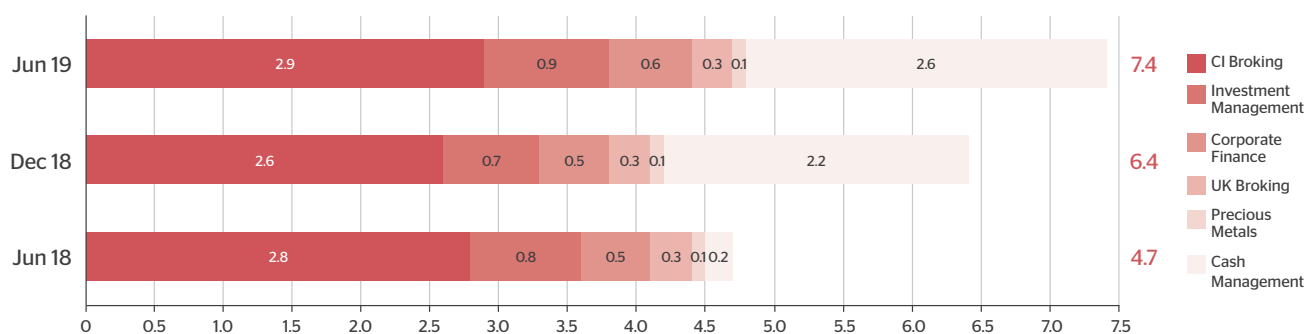
Mark Bousfield



Trading Profit (excluding share based payments expense)	H1 2019 £'000	H1 2018 £'000	Change
Revenue			
recurring revenue	8,953	6,865	30%
non-recurring revenue	5,448	3,483	56%
Total Revenue	14,401	10,348	39%
Gross profit	12,622	8,844	43%
Operating expenses (excluding share based payments expense)			
Administrative expenses	(7,956)	(6,635)	20%
Depreciation and amortisation	(528)	(133)	297%
Trading profit	4,138	2,076	99%
Assets under administration (£m)	7,362	4,678	57%

The Board evaluates the performance of the Group using the trading profit disclosed above, as the Board believes that this provides period to period comparability before the effects of the share based payment schemes are recognised. The only adjustment to the statutory International Financial Reporting Standards ("IFRS") information presented in determining these alternative performance measures is the deduction of the relevant period's shared based payment expense.

Group AUA (£Billions)





DIRECTORS' REPORT

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2019

Principal Risks

The principal risks assessed by the Board relating to Ravenscroft Holdings Limited and its subsidiaries (together the "Group") were disclosed in the 2018 Ravenscroft Holdings Limited Annual Report. These can be found on the Group's website at ravenscroftgroup.com. The Board has reassessed the principal risks and do not consider these risks to have changed. Therefore, these are also the principal risks assessed by the Board as relating to the Group for the remaining six months of the year to 31 December 2019.

Going Concern

After making enquiries and reviewing the Group's forecasts and projections, repayment and servicing of borrowings, and taking account of possible changes in trading performance, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of these condensed consolidated financial statements. The Group therefore continues to adopt the going concern basis in preparing these condensed consolidated 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 be correct. Such statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this statement. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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 Managing Director's Review and Directors' Report include a fair review of the development and performance of the business and the position of Ravenscroft Holdings Limited and the undertakings included in the consolidation taken as a whole; 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 20 September 2019 and signed on its behalf by:

Brian O'Mahoney
Director

Rob Hutchinson
Director



INDEPENDENT REVIEW REPORT

TO RAVENSCROFT HOLDINGS LIMITED

Our conclusion

We have reviewed the accompanying condensed consolidated interim financial information of Ravenscroft Holdings Limited (the "Company") and its subsidiaries (together the 'Group') as of 30 June 2019. Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and The International Stock Exchange Authority Limited ("TISEA") Listing Rules (January 2019).

What we have reviewed

The accompanying condensed consolidated interim financial information comprise:

- the condensed consolidated statement of financial position as of 30 June 2019;
- the condensed consolidated statement of comprehensive income for the six month period then ended;
- the condensed consolidated statement of changes in equity for the six month period then ended;
- the condensed consolidated statement of cash flows for the six month period then ended; and
- the notes, comprising a summary of significant accounting policies and other explanatory information.

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and The International Stock Exchange Authority Limited ("TISEA") Listing Rules (January 2019).

Our responsibilities and those of the directors

The Directors are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and with The International Stock Exchange Authority Limited ("TISEA") Listing Rules (January 2019).

Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, 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 inquiries, 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.

We have read the other information contained in the Unaudited Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers CI LLP

Chartered Accountants
Guernsey
Channel Islands
20 September 2019

- (a) The maintenance and integrity of the Ravenscroft Holdings 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 2019

	Notes	Unaudited 30 June 2019 £'000	Unaudited 30 June 2018 £'000
Revenue		14,401	10,348
Cost of sales		(1,779)	(1,504)
Gross profit		12,622	8,844
Administrative expenses		(7,956)	(6,635)
Depreciation and amortisation		(528)	(133)
Trading profit¹		4,138	2,076
Share-based payments expense	15	(33)	(735)
Operating profit		4,105	1,341
Finance costs		(148)	(4)
Share of net profit of associates accounted for using the equity method		206	38
Share of net loss of joint venture accounted for using the equity method		(75)	-
Profit before taxation		4,088	1,375
Income tax expense	5	(163)	(131)
Profit for the financial period		3,925	1,244
Other comprehensive income			
Exchange differences on translation of subsidiary		-	2
Other comprehensive income for the period		-	2
Total comprehensive income for the period		3,925	1,246
Attributable to:			
Equity holders of the Company		3,869	1,203
Non-controlling interests		56	43
		3,925	1,246
Earnings per share attributable to the equity holders of the Company			
Basic	6	2766p	906p
Diluted	6	2561p	819p

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

The notes on pages 12 to 24 form part of these condensed consolidated financial statements.

¹Trading profit is used by the Board to evaluate the performance of the Group.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	Unaudited 30 June 2019 £'000	Audited 31 December 2018 £'000	Unaudited 30 June 2018 £'000
Non-current assets				
Goodwill		6,400	6,400	3,888
Other intangible assets	8	1,641	1,147	654
Property, plant and equipment	9	6,955	6,383	4,135
Right-of-use assets	13	819	-	-
Investment in associates		2,532	2,598	123
Investment in joint venture		102	177	-
Total non-current assets		18,449	16,705	8,800
Current assets				
Trading investments - long positions		72	286	572
Trade and other receivables	10	26,947	17,114	20,566
Inventory		18	26	8
Cash and cash equivalents		7,489	5,127	7,726
Total current assets		34,526	22,553	28,872
Total assets		52,975	39,258	37,672
Non-current liabilities				
Borrowings		6,203	6,364	3,688
Lease liabilities	13	736	-	-
Total non-current liabilities		6,939	6,364	3,688
Current liabilities				
Trade and other payables	11	26,686	15,432	18,857
Tax payable	5	348	230	303
Borrowings		448	386	62
Lease liabilities	13	281	-	-
Total current liabilities		27,763	16,048	19,222
Total liabilities		34,702	22,412	22,910
Net assets		18,273	16,846	14,762
Equity				
Called up share capital	12	140	140	133
Share premium account		11,177	10,918	6,972
Reserves		6,455	5,343	7,233
Capital and reserves attributable to equity holders of the Company		17,772	16,401	14,338
Non-controlling interests		501	445	424
Total Equity		18,273	16,846	14,762

The condensed consolidated financial statements were approved by the Board of Directors on 20 September 2019 and signed on its behalf by:

Brian O'Mahoney
Director

Rob Hutchinson
Director

The notes on pages 12 to 24 form part of these condensed consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2019

	Notes	Unaudited 30 June 2019 £'000	Unaudited 30 June 2018 £'000
Cash flows from operations			
Operating profit		4,105	1,341
Adjustments for:			
Depreciation of property, plant and equipment	9	146	57
Amortisation of other intangible assets	8	82	77
Write-off of property, plant and equipment		59	-
Profit on disposal of non-current assets		-	3
Depreciation of right-of-use assets	13	120	-
Impairment of right-of-use assets	13	180	-
Lease liability payments	13	(140)	-
Share based payments expense	15	33	735
Operating cash flows before movements in working capital		4,585	2,213
Decrease/(increase) in trading investments		214	(88)
Increase in trade and other receivables		(9,833)	(6,989)
Decrease in inventories		8	-
Increase in trade and other payables		11,202	6,399
Cash generated by operations		6,176	1,535
Interest paid		(137)	(4)
Taxation paid		(45)	(1)
Net cash from operating activities		5,994	1,530
Cash flows from investing activities			
Dividends received from associates		242	-
Proceeds from dilution in investment in associate		30	-
Purchase of other intangible assets	8	(576)	(124)
Purchase of property, plant and equipment	9	(776)	(3,877)
Net cash used in investing activities		(1,080)	(4,001)
Cash flows from financing activities			
Acquisition of own shares held in treasury		(847)	-
Acquisition of share options held in treasury		(112)	-
Proceeds from vesting of share options		259	-
(Repayment of)/proceeds from borrowings		(100)	3,750
Dividends paid		(1,700)	(1,594)
Withholding tax paid		(52)	(26)
Net cash (used in)/from financing activities		(2,552)	2,130
Net increase/(decrease) cash and cash equivalents		2,362	(341)
Net cash and cash equivalents at the beginning of the period		5,127	8,067
Net cash and cash equivalents at the end of the period		7,489	7,726
Represented by:			
Cash and cash equivalents		7,489	7,726
Total cash and cash equivalents		7,489	7,726

The notes on pages 12 to 24 form part of these condensed consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2019

	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
Group at 31 December 2017 (Audited)		133	6,972	6,948	14,053	381	14,434
Total comprehensive income for the period		-	-	1,203	1,203	43	1,246
Equity-settled share based payments		-	-	735	735	-	735
Dividends paid		-	-	(1,653)	(1,653)	-	(1,653)
Group at 30 June 2018 (Unaudited)		133	6,972	7,233	14,338	424	14,762
Total comprehensive income for the period		-	-	983	983	21	1,004
Own shares purchased in the period	16	-	-	(750)	(750)	-	(750)
Own shares awarded in the period	16	-	-	845	845	-	845
Shares issued on vesting of share based payments schemes		7	3,322	(3,329)	-	-	-
Exercise of share options		-	624	-	624	-	624
Write-off of EBT loan directly to equity		-	-	(845)	(845)	-	(845)
Equity-settled share based payments		-	-	1,945	1,945	-	1,945
Dividends paid		-	-	(739)	(739)	-	(739)
Group at 31 December 2018 (Audited)		140	10,918	5,343	16,401	445	16,846
Total comprehensive income for the period		-	-	3,869	3,869	56	3,925
Own shares purchased in the period	16	-	-	(847)	(847)	-	(847)
Own shares awarded in the period	16	-	-	438	438	-	438
Exercise of share options		-	259	-	259	-	259
Write-off of EBT loan directly to equity		-	-	(550)	(550)	-	(550)
Equity-settled share based payments	15	-	-	33	33	-	33
Dividends paid		-	-	(1,831)	(1,831)	-	(1,831)
Group at 30 June 2019 (Unaudited)		140	11,177	6,455	17,772	501	18,273

The notes on pages 12 to 24 form part of these condensed consolidated financial statements.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2019

1. Corporate Information & Nature of Operations

Ravenscroft Holdings Limited and its subsidiaries, associates and joint ventures (together the “Group”) provides private client and institutional broking services in Guernsey, Jersey, the UK and Monaco along with market making, private client investment management, institutional fund management, corporate finance, treasury, property and precious metals dealing and storage.

Ravenscroft Holdings Limited (“RHL”) was registered in Guernsey on 4 May 2016 and is listed on The International Stock Exchange (“TISE”). Prior to the Group reorganisation on 23 April 2018 Ravenscroft Limited (“RL”) was the TISE listed holding company of the Group (“RL Group”). The Company was dormant from registration until Group reorganisation on 23 April 2018.

2. General Information and Basis of Preparation

These condensed consolidated financial statements should be read in conjunction with the RHL annual report for the year ended 31 December 2018, which has 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, other than the incremental borrowing rate applied to the lease liabilities (refer to note 13), 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 RHL Group’s annual consolidated financial statements for the year ended 31 December 2018. These can be found on the Group’s website at ravenscroftgroup.com.

3. Significant Accounting Policies

Other than the first time adoption of IFRS 16 *Leases* (refer to note 13), the accounting policies used in arriving at these condensed consolidated financial statements are consistent with those followed in the preparation of the RHL Group annual consolidated financial statements for the year ended 31 December 2018 which were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.



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 Investment Management segment provides private client investment management and institutional fund management services;
- the Corporate Finance segment provides corporate finance services in Guernsey;
- the Precious Metals segment provides dealing, secure custody and internet trading services in bullion; and
- the Cash Management segment provides discretionary cash management services.

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 trading profit or loss. Finance income, finance costs and income taxes are managed on a location basis.

Revenues, costs, assets and liabilities that 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 services company, Ravenscroft Services Limited, the Group's holding company (the Company), and the share of net profit from associates and joint venture. Non-current assets for this purpose consist of intangible assets and property, plant and equipment. Any transactions between the segments have been eliminated as part of the consolidation.

Operating segment information for the period ended 30 June 2019:

	Broking - Channel Islands £'000	Investment Management £'000	Corporate Finance £'000	Precious Metals £'000	Cash Manage- ment ¹ £'000	Unallocated ² £'000	Channel Islands Total £'000	Broking - United Kingdom £'000	Consolidated £'000
Revenue	4,141	2,558	4,446	269	1,644	-	13,058	1,343	14,401
Operating profit	1,185	524	2,160	49	726	(823)	3,812	293	4,105
Finance costs	-	-	-	-	-	(148)	(148)	-	(148)
Share of net profit of Associates	-	-	-	-	-	206	206	-	206
Share of net loss of Joint Venture	-	-	-	-	-	(75)	(75)	-	(75)
Profit before taxation	1,185	524	2,160	49	726	(849)	3,795	293	4,088
Income tax expense	(45)	(23)	-	-	(25)	-	(93)	(70)	(163)
Profit for the period	1,140	501	2,160	49	701	(849)	3,702	223	3,925
Segment assets	27,860	1,979	1,061	602	1,412	19,027	51,941	1,034	52,975
Segment liabilities	(22,350)	(228)	(388)	(255)	(31)	(11,019)	(34,271)	(431)	(34,702)

¹ This consists of the results of Ravenscroft Cash Management Limited and Ravenscroft Custody Services Limited, and the results of the treasury services.

² Unallocated operating profit includes share based payments expense and other non-segment specific central costs. Unallocated assets and liabilities include goodwill, borrowings, and fixed assets and accrued expenses that are currently held centrally and as such are not allocated to the business segments.



Condensed Consolidated Financial Statements

4. Segment Information continued

Operating segment information for the period ended 30 June 2018:

	Broking - Channel Islands £'000	Investment Management £'000	Corporate Finance £'000	Precious Metals £'000	Cash Manage- ment £'000	Unallocated £'000	Channel Islands Total £'000	Broking - United Kingdom £'000	Consolidated £'000
Revenue	3,654	2,375	2,457	229	424	-	9,139	1,209	10,348
Operating profit	69	290	519	5	207	-	1,090	251	1,341
Finance costs	(4)	(0)	-	-	-	-	(4)	-	(4)
Share of net profit of Associate	-	-	38	-	-	-	38	-	38
Profit before taxation	65	290	557	5	207	-	1,124	251	1,375
Income tax expense	(31)	(19)	-	-	-	-	(50)	(81)	(131)
Profit for the period	34	271	557	5	207	-	1,074	170	1,244
Segment assets	25,273	2,305	1,149	225	81	7,603	36,636	1,036	37,672
Segment liabilities	(16,260)	(144)	(300)	(23)	-	(5,781)	(22,508)	(402)	(22,910)

In prior period, the revenue from treasury services was split across the operating segments based on each segment's contribution of cash. In the current period this is shown in Cash Management.

5. Taxation

	Unaudited 30 June 2019 £'000	Audited 31 December 2018 £'000	Unaudited 30 June 2018 £'000
Income tax payable			
Guernsey tax charge	89	53	33
Jersey tax charge	69	58	41
UK corporation tax charge	190	119	229
Total income tax payable	348	230	303

Analysis of the tax charge

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

Guernsey tax charge	51	53	33
Jersey tax charge	42	34	17
UK corporation tax charge	70	116	81
Total income tax expense	163	203	131



6. Earnings per share

	Unaudited 30 June 2019 £'000	Unaudited 30 June 2018 £'000
Earnings:		
Earnings for the purpose of basic earnings per share (net profit attributable to equity holders of the parent)	3,869	1,203
Earnings for the purposes of diluted earnings per share	3,869	1,203
Number of shares:		
	No.	No.
Weighted average number of shares for the purpose of basic earnings per share	13,986,659	13,278,450
Basic EPS (pence)	27.66	9.06
Potential dilutive effect of share options	1,119,570	1,410,000
Weighted average number of shares for the purposes of diluted earnings per share	15,106,229	14,688,450
Diluted EPS (pence)	25.61	8.19

The dilution arises from unexercised share options that are in issue. As at 30 June 2019 all outstanding share options have a dilutive effect, as they are in the money with the price of the Company's shares at 30 June 2019 exceeding the exercise price. All outstanding share options were also in the money as at 30 June 2018.

7. Interests in other entities

Subsidiaries

The Group has investments in the following principal subsidiary undertakings:

Name of entity	Country of registration	Principal activity	Ownership held by the Group		Ownership held by the NCI	
			2019	2018	2019	2018
Huntress (CI) Nominees Limited	Guernsey	Nominee company	100%	100%	0%	0%
Ravenscroft Limited	Guernsey	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%
Ravenscroft Precious Metals Limited (trading as BullionRock)	Guernsey	Provision of precious metal investment services	100%	100%	0%	0%
Ravenscroft Property Holdings Limited	Guernsey	Property holding company	100%	100%	0%	0%
Ravenscroft Cash Management Limited	Guernsey	Provision of discretionary cash management services	100%	0%	0%	0%
Ravenscroft Custody Services Limited	Guernsey	Provision of custody services	100%	0%	0%	0%

These companies have been consolidated in the Group's condensed consolidated financial statements. Unless otherwise stated the country of incorporation or registration is also their principal place of business. On 31 October 2018 the Company acquired 100% of the share capital of Ravenscroft Cash Management Limited and Ravenscroft Custody Services Limited.



7. Interests in other entities continued

Associates

The Company has investments in the following associates:

Name of entity	Country of registration	Principal activity	Ownership held by the Group 30 June		Ownership held by other owners 30 June	
			2019	2018	2019	2018
D2 Real Estate Limited	Jersey	Provision of real estate management services	38%	50%	62%	50%
MXC Capital (UK) Limited	England & Wales	Provision of advisory services	25%	0%	75%	100%

The associates have been consolidated in the Group's condensed consolidated financial statements on the equity method. During the period there was a reduction in the Company's ownership held in D2 Real Estate Limited. The investment in MXC Capital (UK) Limited completed on 13 September 2018.

Joint ventures

The Company has investments in the following joint ventures:

Name of entity	Country of registration	Principal activity	Ownership held by the Group 30 June		Ownership held by other owners 30 June	
			2019	2018	2019	2018
Tavira Ravenscroft SAM	Monaco	Provision of investment services	50%	0%	50%	0%

The joint venture has been consolidated in the Group's condensed consolidated financial statements on the equity method. Tavira Ravenscroft SAM was incorporated on 5 November 2018 with shared ownership between the Company and Tavira Monaco SAM.

8. Other intangible assets

	Purchased software and software development £'000	Software licences £'000	Total £'000
At 31 December 2018			
Cost	1,850	116	1,966
Accumulated amortisation	(703)	(116)	(819)
Net book amount	1,147	-	1,147
Half-year ended 30 June 2019			
Opening net book amount	1,147	-	1,147
Additions	576	-	576
Amortisation charge	(82)	-	(82)
Closing net book amount	1,641	-	1,641
At 30 June 2019			
Cost	2,426	116	2,542
Accumulated amortisation	(785)	(116)	(901)
Net book amount	1,641	-	1,641



9. Property, plant and equipment

On 28 June 2018, the Group acquired Eastbourne House Holdings Limited (since renamed to Ravenscroft Property Holdings Limited), a property holding company which owns the building 20 New Street situated in St. Peter Port, Guernsey. During the period there was £487k of development costs capitalised to the new building. The development and refurbishment was completed at the end of February 2019 and depreciation commenced from 1 March 2019.

	Land & buildings £'000	Office equipment £'000	Fixtures & fittings £'000	Communications equipment £'000	Leasehold improvements £'000	Total £'000
At 31 December 2018						
Cost or fair value	6,002	552	311	42	435	7,342
Accumulated depreciation	-	(493)	(188)	(9)	(268)	(958)
Net book amount	6,002	59	123	33	167	6,384
Half-year ended 30 June 2019						
Opening net book amount	6,002	59	123	33	167	6,384
Additions	487	12	235	42	-	776
Disposals	-	-	-	-	(309)	(309)
Depreciation charge	(55)	(18)	(44)	(10)	(19)	(146)
Depreciation on disposals	-	-	-	-	250	250
Closing net book amount	6,434	53	314	65	89	6,955
At 30 June 2019						
Cost or fair value	6,489	564	546	84	126	7,809
Accumulated depreciation	(55)	(511)	(232)	(19)	(37)	(854)
Net book amount	6,434	53	314	65	89	6,955

10. Trade and other receivables

	Unaudited 30 June 2019 £'000	Audited 31 December 2018 £'000	Unaudited 30 June 2018 £'000
Amounts falling due within one year:			
Prepayments and accrued income	4,381	4,380	4,437
Market and client receivables	22,566	12,734	16,129
Total	26,947	17,114	20,566

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



11. Trade and other payables

	Unaudited 30 June 2019 £'000	Audited 31 December 2018 £'000	Unaudited 30 June 2018 £'000
Amounts falling due within one year:			
Accrued expenses	3,300	3,226	2,062
Deferred income	25	14	42
Market and client payables	23,361	12,192	16,628
Deferred consideration	-	-	125
Total	26,686	15,432	18,857

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

12. Share Capital

	Unaudited 30 June 2019 No.	Audited 31 December 2018 No.	Unaudited 30 June 2018 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	13,986,659	13,986,659	13,278,450
	Unaudited 30 June 2019 £'000	Audited 31 December 2018 £'000	Unaudited 30 June 2018 £'000
Authorised:			
Ordinary shares of £0.01	150	150	150
Allotted, issued and fully paid:			
Ordinary shares of £0.01	140	140	133



13. Changes in Accounting Policies

This note explains the impact of the adoption of IFRS 16 *Leases* on the Group's condensed consolidated financial statements that have been applied from 1 January 2019.

The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 January 2019, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the lease accounting standard are therefore recognised in the opening balance sheet on 1 January 2019.

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 of 7% was determined in consultation with market practice..

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard: applying a single discount rate to a portfolio of leases with reasonably similar characteristics; relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there was one onerous contract as at 1 March 2019, see below; accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases; excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and using hindsight in determining the lease term where the contract contains options to extend or terminate the lease. The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying IAS 17 and Interpretation 4 *Determining whether an Arrangement contains a Lease*.

	£'000
Operating lease commitments discounted using the lessee's incremental borrowing rate	1,119
Lease liability recognised as at 1 January 2019	1,119
Interest accrued during the period	38
Lease liability payments	(140)
Lease liability as at 30 June 2019	1,017
Of which are:	
Current lease liabilities	281
Non-current lease liabilities	736
	1,017

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. The right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2018.

An impairment to the right-of-use asset in relation to the lease of the Market Buildings, Fountain Street, St. Peter Port was recognised on 1 March 2019. The impairment arose due to the Guernsey operations of the Group having moved to the new building 20 New Street during the period (see note 9) and the Market Buildings lease running until 30 May 2021.

	£'000
Right-of-use assets recognised as at 1 January 2019	1,119
Impairment of right-of-use asset during the period	(180)
Depreciation of right-of-use assets during the period	(120)
Carrying amount of right-of-use assets as at 30 June 2019	819

The change in accounting policy affected the following items in the statement of financial position on 1 January 2019:

- right-of-use assets - increase by £1,119k
- lease liabilities - increase by £1,119k

As the impairment of the right-of-use asset occurred on 1 March 2019, the net impact on retained earnings on 1 January 2019 was nil.



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 RHL Group's Annual Report as at 31 December 2018. These can be found on our website at ravenscroftgroup.com.

There have been no changes to the risk management policies since the 2018 year end.

Risk management activities

For details of the Group's risk management activities see the RHL Group's 2018 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);
- 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 2019, 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 fair value through profit and loss (Unaudited)				
Trading investments - long positions	72	-	-	72

As at 31 December 2018, 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 fair value through profit and loss (Audited)				
Trading investments - long positions	286	-	-	286

During the six-month period ended 30 June 2019 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 investments using quoted market sources. The finance team reports to management on this process.



15. Share based payments and other employee benefits

Share Option Plan (“SOP” 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 associated vesting dates 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. As part of the Group reorganisation which completed on 23 April 2018, the Plan was amended to reflect that the options are over the Company’s shares. Prior to the reorganisation the Plan was based on RL shares. 114,030 options were exercised during the period, as the vesting date of tranche 1 had been reached in 2018.

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

	Number of share options
Outstanding at the beginning of the period	1,233,600
Granted during the period	-
Exercised during the period	(114,030)
Lapsed during the period	-
Outstanding at the end of the period	1,119,570

	Date of grant	Vesting date	Date of expiry	Remaining contractual life (months)	No. of share options	Estimated fair value £’000	Expensed in profit or loss 2019 £’000
Tranche 1	Nov-15	Nov-18	Nov-25	77	544,570	150	-
Tranche 2	Sep-16	Sep-19	Sep-26	87	130,000	40	6
Tranche 3	Feb-17	Feb-20	Feb-27	92	262,500	101	16
Tranche 4	Sep-17	Sep-20	Sep-27	99	135,000	46	8
Tranche 5	Nov-17	Nov-20	Nov-27	101	47,500	17	3

The fair value of the options is estimated using an appropriate valuation model.

Expensed through profit or loss for the six months ended 30 June 2018 for the Share Option Plan: £60k, for the 2016 Share Incentive Scheme: £448k (this scheme vested and closed on 21 December 2018) and for the Share Award Scheme: £227k (this scheme vested and closed on 21 December 2018).



16. Own shares

The Ravenscroft 2015 Employee Benefit Trust (“REBT-2015”)

The Group established an employee benefit trust (the Ravenscroft 2015 Employee Benefit Trust (“REBT-2015”)) 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 share option scheme. As at 30 June 2019 REBT-2015 owned 65,575 (31 December 2018: nil) ordinary shares of £0.01 each with a book cost of £0.41m (31 December 2018: £nil). The REBT-2015 has waived its rights to dividends.

	Number of shares	Cost £’000
At 1 January 2018	21,000	95
Acquired in the period	-	-
Awarded in the period	-	-
At 30 June 2018 (Unaudited)	21,000	95
Acquired in the period	254,000	750
Awarded in the period	(275,000)	(845)
At 31 December 2018 (Audited)	-	-
Acquired in the period	134,605	847
Awarded in the period	(69,030)	(438)
At 30 June 2019 (Unaudited)	65,575	409

17. Controlling party and related party transactions

The Directors consider there to be no immediate or ultimate controlling party of the Company.

The Group acts as market maker for the long and short investment positions held within trading investments with a value of £0.07m (2018: £0.57m) and £Nil (2018: £Nil) respectively.

Remuneration of key management personnel

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

	Unaudited 30 June 2019 £’000	Unaudited 30 June 2018 £’000
Short-term employment benefits	1,195	963
Equity compensation benefits	21	466



17. Controlling party and related party transactions continued

Transactions with Directors

	30 June 2019	30 June 2018
Directors' interests in Ordinary Shares of Ravenscroft Holdings Limited		
Number of shares	6,242,907	5,777,700
Percentage interest in the Company's share capital	44.6%	43.5%

The current Directors had interests in ordinary shares in RHL as at 31 December 2018 of 6,080,997 shares representing 43.5% interest in the share capital.

Directors' interests in share options in Ravenscroft Holdings Limited

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

	30 June 2019	30 June 2018	Exercise price	Grant date	First possible exercise date	Expiry date
Name of Director						
J R Ravenscroft	100,000	150,000	375p	18.11.15	18.11.18	18.11.25
J R Ravenscroft	50,000	50,000	405p	13.02.17	13.02.20	13.02.27
M L C Bousfield	50,000	50,000	375p	18.11.15	18.11.18	18.11.25
M L C Bousfield	50,000	50,000	375p	20.09.16	20.09.19	20.09.26
M L C Bousfield	50,000	50,000	405p	13.02.17	13.02.20	13.02.27
M L C Bousfield	50,000	50,000	425p	18.09.17	18.09.20	18.09.27
B M O'Mahoney	100,000	100,000	375p	18.11.15	18.11.18	18.11.25
B M O'Mahoney	50,000	50,000	405p	13.02.17	13.02.20	13.02.27
B M O'Mahoney	25,000	25,000	425p	18.09.17	18.09.20	18.09.27

There has been no issue of options over ordinary shares to the current Directors during the period.

Subsidiary's interests in share options in the Financial Services Opportunities Investment Fund Limited

In lieu of a performance fee as investment manager of Financial Services Opportunities Investment Fund Limited ("FSOIFL"), Ravenscroft Limited ("RL") has been granted options for shares in FSOIFL, both for RL itself and also for onward transfer to members of the investment management team.

RL itself has 2,898,046 options over ordinary shares in FSOIFL with an exercise price of £1.50. The current share price of FSOIFL is £1.23, and so these options are currently out of the money.

Of the options granted to RL for onward assignment to the investment management team of FSOIFL, 4,015,352 are currently assigned to members of the team with 105,804 held by RL. These options have an exercise price of £1.00 and so are in the money, but as they are for onward transfer to members of the investment management team there is no intention for RL to exercise them.



18. Events after the end of the reporting period

The Directors have declared a dividend of 5.50p per share in respect of the period 1 January 2019 to 30 June 2019, which was approved by the Board on 20 September 2019, and will be paid on 8 October 2019.

19. Approval of condensed consolidated financial statements

The condensed consolidated financial statements were approved by the Board on 20 September 2019.



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