



**BROOKS MACDONALD**★  
Group plc

Interim Report & Accounts  
for the six months ended 31 December 2009



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## Group Overview

Brooks Macdonald Group plc is an AIM listed integrated wealth management group. It has two principal subsidiaries, Brooks Macdonald Asset Management Limited and Brooks Macdonald Financial Consulting Limited.

Brooks Macdonald Asset Management provides a bespoke, fee based, investment management service to high net worth individuals, charities and trusts. It has offices in London, Edinburgh, Manchester, Tunbridge Wells and Winchester.

Brooks Macdonald Financial Consulting is London based and provides fee based, independent advice to high net worth individuals, families and businesses.

The Brooks Macdonald Group has developed under stable management since formation in 1991 and now has in excess of 150 staff throughout the UK. In 2005 the group listed on AIM. Management and staff retain considerable ownership of the business.



**+70%**

Turnover has increased from £9.7 million to £16.4 million, a rise of 70%.\*

**+96%**

Pre-tax profit was £2.47 million compared to £1.26 million, an increase of 96%.\*

\*Percentage increase on same period the previous year.

## Chairman's Statement



Christopher Knight, Chairman

**“These results are a further demonstration of the growth of the business...”**

Our results for the first half of our financial year show significant improvement over those of the corresponding period of last year.

On a turnover of £16.4 million, an increase of 70% over the previous period, we have achieved a pre-tax profit of £2.47 million. This is nearly double the £1.26 million we reported for the first half of last year. Earnings per share have increased 126% from 8.35p to 18.85p.

These excellent results have led the board to decide to pay an interim dividend of 3p per share, payable to shareholders on 31 March 2010 with a record date 26 March 2010. This is the first time that Brooks Macdonald has paid an interim dividend since its listing in 2005. It is the Group's intention to continue to pay dividends twice yearly, with an interim dividend in March and a larger final dividend in October.

As already announced, discretionary funds under management at 31 December 2009 were £1,852 million, compared with £1,386 million at 30 June 2009. This increase of 34% reflects improved markets - the APCIMS balanced index rose by 13% during the half year. It also reflects continued growth on a number of fronts: the Group completed the acquisition of Lawrence House Fund Managers in September 2009, with fund management now successfully transferred to our Tunbridge Wells office; we have enjoyed considerable success with our strategic alliance partners which now number five; and we continue to be supported by professional introducers, both long-standing and new relationships.

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## Chairman's Statement

With the opening of an office in Edinburgh in September we now have four offices outside London, all of which are performing well. Our Managed Portfolio service, which is designed for smaller portfolios, showed robust growth during the half year contributing strongly to the growth in the Group's turnover.

We attach paramount importance both to the Group's investment record and to our service proposition. We continue to invest in our people and systems to ensure that as we grow the performance of the Group and our service standards remain of the highest quality.

These results are a further demonstration of the growth of the business which we are confident will continue in the second half.



**Christopher Knight,**  
**Chairman**  
15 March 2010

# Condensed consolidated statement of income and statement of comprehensive income

for the six months ended 31 December 2009

<b>Consolidated income statement</b>		Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
	Note			
<b>Revenue</b>		<b>16,385,333</b>	<b>9,646,264</b>	<b>21,752,209</b>
<b>Administrative costs</b>		<b>(13,936,647)</b>	<b>(8,530,789)</b>	<b>(18,765,646)</b>
<b>Operating profit</b>		<b>2,448,686</b>	<b>1,115,475</b>	<b>2,986,563</b>
Finance income		35,921	144,004	198,860
Finance cost		(12,395)	-	-
<b>Profit before taxation</b>		<b>2,472,212</b>	<b>1,259,479</b>	<b>3,185,423</b>
Taxation	3	(576,483)	(425,703)	(930,858)
<b>Profit for the period attributable to equity holders of the company</b>		<b>1,895,729</b>	<b>833,776</b>	<b>2,254,565</b>
<b>Earnings per share for the period attributable to equity holders of the company</b>	4			
Basic earnings per share		18.85p	8.35p	22.56p
Diluted earnings per share		18.14p	8.22p	22.26p

<b>Consolidated statement of comprehensive income</b>		Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
<b>Profit for the period</b>		<b>1,895,729</b>	<b>833,776</b>	<b>2,254,565</b>
<b>Other comprehensive income</b>				
Gain on acquisition of subsidiary	7	9,300	-	-
Fair value on gain of available-for-sale financial assets		-	66,582	-
<b>Total comprehensive income for the period</b>		<b>1,905,029</b>	<b>900,358</b>	<b>2,254,565</b>

# Condensed consolidated interim balance sheet

as at 31 December 2009

	Note	31 Dec 2009 (unaudited) £	31 Dec 2008 (unaudited) £	30 June 2009 (audited) £
<b>Assets</b>				
<b>Non current assets</b>				
Property, plant and equipment		1,613,614	1,192,982	1,471,160
Intangible assets	6	1,890,769	517,401	406,849
Deferred tax assets		403,502	-	144,784
<b>Total non current assets</b>		<b>3,907,885</b>	<b>1,710,383</b>	<b>2,022,793</b>
<b>Current assets</b>				
Trade and other receivables		2,827,754	2,435,492	3,507,191
Available-for-sale financial assets	8	-	804,975	-
Cash and cash equivalents		12,469,386	5,813,752	8,347,287
<b>Total current assets</b>		<b>15,297,140</b>	<b>9,054,219</b>	<b>11,854,478</b>
<b>Total assets</b>		<b>19,205,025</b>	<b>10,764,602</b>	<b>13,877,271</b>
<b>Current liabilities</b>				
Trade and other payables		(6,912,915)	(3,679,835)	(4,828,172)
Current tax liabilities		(1,257,493)	(403,490)	(767,326)
<b>Total current liabilities</b>		<b>(8,170,408)</b>	<b>(4,083,325)</b>	<b>(5,595,498)</b>
<b>Non current liabilities</b>				
Provisions	9	(1,070,823)	(189,930)	(188,710)
Other non current liabilities		(10,940)	(17,188)	(14,063)
<b>Total non current liabilities</b>		<b>(1,081,763)</b>	<b>(207,118)</b>	<b>(202,773)</b>
<b>Net assets</b>		<b>9,952,854</b>	<b>6,474,159</b>	<b>8,079,000</b>
Financed by:				
<b>Equity</b>				
Share capital		101,708	99,875	100,162
Share premium account		1,865,974	1,574,506	1,621,303
Other reserves		1,237,438	955,340	1,073,260
Retained earnings		6,747,734	3,844,438	5,284,275
<b>Total equity</b>		<b>9,952,854</b>	<b>6,474,159</b>	<b>8,079,000</b>

# Condensed consolidated interim cash flow statement

for the six months ended 31 December 2009

	Note	Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
<b>Cash inflow from operating activities</b>				
Cash generated from operations	10	6,514,533	1,632,909	3,918,440
Taxation paid		(164,833)	(330,079)	(509,035)
<b>Net cash from operating activities</b>		<b>6,349,700</b>	<b>1,302,830</b>	<b>3,409,405</b>
<b>Cash flow from investing activities</b>				
Purchase of property, plant and equipment		(364,184)	(451,518)	(923,814)
Purchase of intangible assets		(1,594,662)	(20,906)	(20,907)
Purchase of gilt		-	(738,393)	(738,393)
Sale of gilt		-	-	797,317
Interest received		35,921	144,004	198,860
<b>Net cash used in investing activities</b>		<b>(1,922,925)</b>	<b>(1,066,813)</b>	<b>(686,937)</b>
<b>Cash flows from financing activities</b>				
Proceeds of issue of shares		246,217	3,500	50,584
Dividends paid to shareholders		(550,893)	(349,477)	(349,477)
<b>Net cash used in financing activities</b>		<b>(304,676)</b>	<b>(345,977)</b>	<b>(298,893)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>				
Cash and cash equivalents at start of period		4,122,099	(109,960)	2,423,575
Cash and cash equivalents at end of period		8,347,287	5,923,712	5,923,712
<b>Cash and cash equivalents at end of period</b>		<b>12,469,386</b>	<b>5,813,752</b>	<b>8,347,287</b>

# Condensed consolidated statement of changes in equity

from 1 July 2008 to 31 December 2009

	Share capital £	Share premium account £	Share option reserve £	Merger reserve £	Available for sale reserve £	Retained earnings £	Total £
<b>At 1 July 2008</b>	<b>99,850</b>	<b>1,571,031</b>	<b>622,362</b>	<b>191,541</b>	-	<b>3,360,139</b>	<b>5,844,923</b>
<b>Comprehensive income</b>							
Profit for the period	-	-	-	-	-	833,776	833,776
<b>Other comprehensive income</b>							
Fair value gain on available for sale asset	-	-	-	-	66,582	-	66,582
<b>Total comprehensive income</b>	-	-	-	-	66,582	833,776	900,358
<b>Transactions with owners</b>							
Issue of shares	25	3,475	-	-	-	-	3,500
Share options	-	-	93,222	-	-	-	93,222
Share options deferred taxation	-	-	(18,367)	-	-	-	(18,367)
Dividends paid	-	-	-	-	-	(349,477)	(349,477)
<b>At 31 December 2008</b>	<b>99,875</b>	<b>1,574,506</b>	<b>697,217</b>	<b>191,541</b>	<b>66,582</b>	<b>3,844,438</b>	<b>6,474,159</b>
<b>Comprehensive income</b>							
Profit for the period	-	-	-	-	-	1,420,789	1,420,789
<b>Other comprehensive income</b>							
Fair value gain on available for sale asset transfer	-	-	-	-	(66,582)	-	(66,582)
Transfer	-	-	(19,048)	-	-	19,048	-
<b>Total comprehensive income</b>	-	-	(19,048)	-	(66,582)	1,439,837	1,354,207
<b>Transactions with owners</b>							
Issue of shares for cash	287	46,797	-	-	-	-	47,084
Share options	-	-	96,400	-	-	-	96,400
Share options deferred taxation	-	-	107,150	-	-	-	107,150
<b>At 30 June 2009</b>	<b>100,162</b>	<b>1,621,303</b>	<b>881,719</b>	<b>191,541</b>	-	<b>5,284,275</b>	<b>8,079,000</b>

# Condensed consolidated statement of changes in equity

from 1 July 2008 to 31 December 2009 (continued)

	Share capital £	Share premium account £	Share option reserve £	Merger reserve £	Available for sale reserve £	Retained earnings £	Total £
<b>At 30 June 2009</b>	<b>100,162</b>	<b>1,621,303</b>	<b>881,719</b>	<b>191,541</b>	-	<b>5,284,275</b>	<b>8,079,000</b>
<b>Comprehensive income</b>							
Profit for the period	-	-	-	-	-	1,895,729	1,895,729
<b>Other comprehensive income</b>							
Gain on acquisition of subsidiary	-	-	-	-	-	9,300	9,300
Transfer	-	-	(109,323)	-	-	109,323	-
<b>Total comprehensive income</b>	-	-	<b>(109,323)</b>	-	-	<b>2,014,352</b>	<b>1,905,029</b>
<b>Transactions with owners</b>							
Issue of shares	1,546	244,671	-	-	-	-	246,217
Share options	-	-	93,300	-	-	-	93,300
Share options deferred taxation	-	-	180,201	-	-	-	180,201
Dividends paid	-	-	-	-	-	(550,893)	(550,893)
<b>At 31 December 2009</b>	<b>101,708</b>	<b>1,865,974</b>	<b>1,045,897</b>	<b>191,541</b>	-	<b>6,747,734</b>	<b>9,952,854</b>

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 1. Basis of preparation

These interim accounts are presented in accordance with IAS 34 "Interim Financial Reporting". The interim accounts have been prepared on basis of the accounting policies, methods of computation and presentation set out in the Group's consolidated accounts for the year ended 30 June 2009 except as stated below. The interim accounts should be read in conjunction with the Group's audited accounts for the year ended 30 June 2009.

The adoption of IAS1(revised 2007) makes certain changes to the format and titles of the primary financial statement and to the presentation of some items within these statements. Some items that were recognised directly in equity are now recognised in other comprehensive income. IAS1 affects the presentation of other changes in equity and introduce a "Statement of Comprehensive Income".

There is an additional accounting policy in respect of goodwill. Goodwill on acquisition is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the separately identifiable assets, liabilities and contingent liabilities of a subsidiary or associate at date of acquisition. In accordance with IFRS 3 Business combinations, goodwill is not amortised but reviewed annually for impairment and as such, is stated at cost less any provision for impairment of value. Any impairment is recognised immediately in the income statement and not subsequently reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. On acquisition, any goodwill acquired is allocated to cash generating units for the purpose of impairment testing. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

The information in this announcement does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The Group's accounts for the year ended 30 June 2009 have been reported on by the auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not draw attention to any matters by way of emphasis. They also did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 2 Segmental information

For management purposes the Group's activities are organised into two operating divisions, investment management and financial planning. The Group's other activity, offering nominee and custody services to clients, has been included in investment management. These divisions are the basis on which the Group reports its primary segmental information.

Revenues and expenses are allocated to the business segment that originated the transaction. Revenues and expenses that are not directly originated by a business segment are reported as unallocated. Centrally incurred expenses are allocated to business segments on an appropriate pro-rata basis. Segmental assets and liabilities comprise operating assets and liabilities, being the majority of the balance sheet.

Period ended 31 December 2009 (unaudited)	Investment management £	Financial planning £	Total £
Total revenues	16,243,543	1,248,090	17,491,633
Inter company revenues	(807,106)	(299,194)	(1,106,300)
External revenues	15,436,437	948,896	16,385,333
Segmental result	4,405,832	47,241	4,453,073
Unallocated items			(1,980,861)
Profit before tax			2,472,212
Taxation			(576,483)
<b>Profit for the period</b>			<b>1,895,729</b>
<b>At 31 December 2009</b>			
Segment assets	10,205,522	2,356,589	12,562,111
Unallocated assets			6,642,914
<b>Total assets</b>			<b>19,205,025</b>
Segment liabilities	5,732,688	1,558,601	7,291,289
Unallocated liabilities			1,960,882
<b>Total liabilities</b>			<b>9,252,171</b>
Capital expenditure	-	364,184	364,184
Depreciation	-	332,472	332,472
Movement in provision	120,000	24,000	144,000

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 2. Segmental information – continued

Period ended 31 December 2008 (unaudited)	Investment management £	Financial planning £	Total £
Total revenues	8,591,624	1,300,903	9,892,527
Inter company revenues	(246,263)	-	(246,263)
External revenues	8,345,361	1,300,903	9,646,264
Segmental result	1,463,693	57,079	1,520,772
Unallocated items			(261,293)
Profit before tax			1,259,479
Taxation			(425,703)
<b>Profit for the period</b>			<b>833,776</b>
<b>At 31 December 2008</b>			
Segment assets	8,893,783	1,870,395	10,764,178
Unallocated assets			424
<b>Total assets</b>			<b>10,764,602</b>
Segment liabilities	2,160,307	1,741,862	3,902,169
Unallocated liabilities			388,274
<b>Total liabilities</b>			<b>4,290,443</b>
Capital expenditure	-	451,518	451,518
Depreciation	-	244,250	244,250
Movement in provision	125,893	10,430	136,323

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 2. Segmental information – continued

Year ended 30 June 2009 (audited)	Investment management £	Financial planning £	Total £
Total revenues	20,604,186	2,467,083	23,071,269
Inter company revenues	(1,006,094)	(312,966)	(1,319,060)
External revenues	19,598,092	2,154,117	21,752,209
Segmental result	4,499,210	75,182	4,574,392
Unallocated items			(1,388,969)
Profit before tax			3,185,423
Taxation			(930,858)
<b>Profit for the year</b>			<b>2,254,565</b>
<b>At 30 June 2009</b>			
Segment assets	11,666,861	2,182,540	13,849,401
Unallocated assets			27,870
<b>Total assets</b>			<b>13,877,271</b>
Segment liabilities	3,569,073	1,414,935	4,984,008
Unallocated liabilities			814,263
<b>Total liabilities</b>			<b>5,798,271</b>
Capital expenditure	-	923,814	923,814
Depreciation	-	548,924	548,924
Movement in provision	143,893	(8,790)	135,103

## Geographical segments

The Group's operations are all located in the United Kingdom.

## 3. Taxation

	Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
United Kingdom taxation	655,000	373,263	961,120
Overprovision in prior years	-	-	(40,074)
Deferred taxation	(78,517)	52,440	9,812
	576,483	425,703	930,858

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 4. Earnings per share

	Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
Earnings attributable to ordinary shareholders	1,895,729	833,776	2,254,565
	No.(m)	No.(m)	No.(m)
Weighted average number of shares	9.99	9.98	9.98
Share issues	0.07	0.01	0.01
Basic earnings per share denominator	10.06	9.99	9.99
Issuable on exercise of options	0.39	0.15	0.26
Diluted earnings per share denominator	10.45	10.14	10.25
Basic earnings per share	18.85p	8.35p	22.56p
Diluted earnings per share	18.14p	8.22p	22.26p

## 5. Dividends

	Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
Paid final dividend on ordinary shares	550,893	349,477	349,477

An interim dividend of 3p per share was declared by the Board on 15 March 2010 and has not been included as a liability as at 31 December 2009. This interim dividend will be paid on 31 March 2010.

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 6. Intangible assets

	£
<b>Cost</b>	
<b>At 1 July 2008</b>	<b>1,264,423</b>
Additions	20,907
Disposals	-
<b>At 31 December 2008</b>	<b>1,285,330</b>
Additions	-
Disposals	-
<b>At 30 June 2009</b>	<b>1,285,330</b>
Additions	1,594,662
Disposals	-
<b>Cost at 31 December 2009</b>	<b>2,879,992</b>
<b>Amortisation</b>	
<b>At 1 July 2008</b>	<b>659,152</b>
Charge for the period	108,777
<b>At 31 December 2008</b>	<b>767,929</b>
Charge for period	110,552
<b>At 30 June 2009</b>	<b>878,481</b>
Charge for period	110,742
<b>At 31 December 2009</b>	<b>989,223</b>
<b>Net book value</b>	
<b>At 31 December 2008</b>	<b>517,401</b>
<b>At 30 June 2009</b>	<b>406,849</b>
<b>At 31 December 2009</b>	<b>1,890,769</b>

Intangible assets relate to payments to key fee earners on the adoption of an alternative commission structure, deferred payments in respect of the acquisition of new teams of fund managers and the acquisition of client relationships.

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 7. Business combinations

On 4 September 2009, the Group acquired the entire share capital of Brooks Macdonald Asset Management (Tunbridge Wells) Limited, formerly Lawrence House Fund Managers Limited, for consideration of £1,798,684. The acquired business's net assets at the acquisition date were as follows:

	Book values £	Fair value adjustments £	Carrying amounts £
Intangible assets	-	1,594,662	1,594,662
Cash and cash equivalents	224,781	-	224,781
Other current assets	22,179	-	22,179
Current liabilities	(33,638)	-	(33,638)
Net identifiable assets acquired	213,322	1,594,662	1,807,984
Consideration - cash			(1,072,965)
Consideration - deferred			(725,719)
<b>Negative goodwill on consolidation</b>			<b>9,300</b>

## 8. Available-for-sale financial assets

	Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
At 1 July 2009	-	-	-
Additions - gilt	-	738,393	738,393
Disposals - gilt	-	-	(738,393)
Gains from changes in fair value	-	66,582	66,582
Gains from changes in fair value -released	-	-	(66,582)
<b>At 31 December 2009</b>	<b>-</b>	<b>804,975</b>	<b>-</b>

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 9. Non-current provisions

	Six months ended 31 Dec 2009 (unaudited) £	Six months ended 31 Dec 2008 (unaudited) £	Year ended 30 Jun 2009 (audited) £
<b>Client compensation</b>			
At 1 July 2009	188,710	53,607	53,607
Movement during the period	144,000	136,323	135,103
At 31 December 2009	332,710	189,930	188,710
<b>Deferred contingent consideration</b>			
Recognised during the period	738,113	-	-
At 31 December 2009	738,113	-	-
<b>At 31 December 2009</b>	<b>1,070,823</b>	<b>189,930</b>	<b>188,710</b>

Provisions relate to the potential liability resulting from client complaints against the Group. The complaints are assessed on a case by case basis and provisions for compensation are made where judged necessary. Complaints are on average settled within eight months from the date of notification of the complaint.

Deferred contingent consideration relates to the funds acquired by Brooks Macdonald Asset Management Limited from Lawrence House Fund Managers Limited (now called Brooks Macdonald Asset Management (Tunbridge Wells) Limited). The final amount payable is dependent on the value of the funds acquired after 24 months from the date of acquisition, 4 September 2009. The deferred consideration has been fair valued based on discounted cash flows.

# Notes to the condensed consolidated interim accounts

for the six months ended 31 December 2009

## 10. Reconciliation of operating profit and net cash inflow from operating activities

	31 Dec 2009 (unaudited) £	31 Dec 2008 (unaudited) £	30 Jun 2009 (audited) £
Operating profit	2,448,686	1,115,475	2,986,563
Depreciation	221,730	135,474	329,595
Amortisation of intangible assets	110,742	108,776	219,329
Profit on sale of gilt	-	-	(58,924)
(Increase)/decrease in debtors	679,437	404,778	(666,921)
Increase/(decrease) in creditors	2,084,743	(358,014)	784,073
Increase in provisions	878,990	133,198	135,103
Share based payments	93,300	93,222	189,622
Gain on acquisition of subsidiary	9,300	-	-
Finance cost	(12,395)	-	-
<b>Net inflow</b>	<b>6,514,533</b>	<b>1,632,909</b>	<b>3,918,440</b>

## Interim results

for the six months ended 31 December 2009

# Independent Review Report to Brooks Macdonald Group Plc

### Introduction

We have been instructed by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2009 set out in pages 4 – 17. 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.

### Directors' responsibilities

The half-yearly financial report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The AIM Rules of the London Stock Exchange require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

This half-yearly financial report has been prepared in accordance with the International Accounting Standard 34, "Interim Financial Reporting".

The maintenance and integrity of the company's website is the responsibility of the directors; the work we have carried out does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the condensed set of financial statements presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

### 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 principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

### Review 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 31 December 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union.

St Paul's House  
Warwick Lane  
LONDON EC4M 7BP

Moore Stephens LLP  
Registered Auditors  
Chartered Accountants

15 March 2010



# Directors and advisers

## Directors

C J Knight

Non-executive  
Chairman

C A J Macdonald

Chief Executive  
Executive Director  
Finance Director

J M Gumpel

Executive Director

S J Jackson

Executive Director

N H Lawes

Investment

R H Spencer

Director

S P Wombwell

Non-executive

Director

## Company Secretary

S J Jackson

## Offices

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London W1K 7JL

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55 King Street,  
Manchester M2 4LQ

2 Mount Ephraim Road,  
Tunbridge Wells TN1 1EE

10 Melville Crescent,  
Edinburgh EH3 7LU

## Registered Office

111 Park Street London W1K 7JL

## Registered Number

4402058

## Auditors

Moore Stephens LLP  
St Paul's House Warwick Lane London EC4M 7BP

## Solicitors

Macfarlanes LLP  
20 Cursitor Street London EC4A 1LT

## Bankers

The Royal Bank of Scotland plc  
Lloyds TSB plc  
Barclays Bank plc  
Cater Allen Private Bank

## Registrars

Capita Registrars Limited  
The Registry 34 Beckenham Road Kent BR3 4TU

## Nominated adviser and broker

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