8 September 2015

Curtis Banks Group plc
("Curtis Banks", the "Group")
Maiden Unaudited Interim Results for six months to 30 June 2015

"First Set of interim results show revenue and results in line with management expectations."

Curtis Banks Group plc, one of the UK's leading SIPP providers with a portfolio of over 26,000 SIPPs, is pleased to announce its unaudited interim results for the six months to 30 June 2015.

Highlights for the period include:

	2015	2014	Change
Financial			
Revenue (£'000)	£7,525	£4,540	+66%
Operating Profit (£'000)	£2,161	£1,297	+67%
Operating Profit before amortisation (£'000)	£2,494	£1,486	+66%
Profit Margin on Operating Profit before amortisation	33%	33%	-
Basic EPS on net profit before amortisation	4.57p	2.67p	+71%
Operational Highlights			
Number of SIPPs Administered	26,755	12,472	+115%
Number of SSASs Administered	297	268	+11%
Assets under Administration	£8.4bn	£4.8bn	+75%
Total New Full SIPPs in period	1,416	965	+47%

Commenting on the results and prospects, Chris Banks, Executive Chairman of Curtis Banks, said:

"Our recent admission to AIM marks the start of a new chapter in the growth journey for Curtis Banks. Today's results show the progress made both organically and through acquisition and demonstrate what we believe can be delivered going forward.

"We are confident in our strategy and committed to growing the business. The market presents many opportunities for those who are experienced and provide quality services to clients. We look forward to delivering for our new shareholders on the opportunities available to us for the continued growth of our business."

Analyst Presentation

A briefing for Analysts will be held at 9.30am today. Those wishing to attend or requiring further information on the Company should contact Tom Cooper on 0797 122 1972 or tom.cooper@walbrookpr.com.

For more information:

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Notes to Editors:

Curtis Banks administers Self-Invested Pension products, principally SIPPs and SSASs. The Group commenced trading in 2009 and has successfully developed, through a combination of organic growth and acquisitions, into one of the largest UK providers of these products. The Group employs approximately 240 staff in its head office in Bristol and regional offices in Dundee and Market Harborough.

For more information – www.curtisbanks.co.uk

Chairman's Statement

I am pleased to present the interim results for Curtis Banks for the six month period ended 30 June 2015. This is the first published set of interim results released by the Group and follows our successful debut on the AIM market on 7 May 2015.

The last twelve months (including the six months of this report) have been an active period of growth for the Group and one in which we have completed three acquisitions, experienced a significant increase in the level of organic growth and listed the shares of Curtis Banks on the AIM market of the London Stock Exchange.

The period under review has shown revenues increase by 66% from £4.5m to £7.5m compared to the comparable period last year and operating profit increase from £1.3m to £2.2m over the same period.

Such growth has inevitably led to higher staff numbers and a period of transition for the Group as new books of business are taken on and assimilated into the robust processes and procedures already carried out in the Group. This obviously takes time and effort but despite this I am pleased to report that we have maintained our focus on operating margins.

The results for the first six months of the year do not fully reflect the contribution of our latest acquisition, a client book from Friends Life PLC (now Aviva PLC). The acquisition completed on 13 March 2015 and hence the operating revenues for the period only include three months of contribution from this source. Inevitably the staffing and infrastructure costs to service this new book of SIPPs have been in place for the whole period; hence the full benefit of this acquisition will become more apparent in the second half of the year. In addition the benefits of a number of the additional revenue generating sources derived from the acquisitions completed in the past year will be seen in the second half of the year and enhance the earnings for this period.

The changes in the overall pension industry over the past year have been significant and the Group has spent time and resources developing systems to address these as well as new products that will take advantage of the new pension freedoms. One of these products is now fully developed and will be launched during the second half of the year.

We continue to grow and develop our introducer network without reliance on any one introducer for a significant portion of our business. New well established introducers continue to be attracted to our service level proposition.

Our acquisition of the business of Pointon York SIPP Solutions last October provided us with a strong market position in the eSIPP sector and we are developing products appropriate for this market place and are already SIPP providers for a number of platforms.

I would like to thank all the staff in the Group, including my fellow executive directors, for their hard work and dedication over a period that has seen so much transition in our business. It is an exciting time for Curtis Banks and we look forward to delivering on the Group's potential.

Board

As part of our recent admission to AIM your Board was enhanced by three key non-executive directors , Chris Macdonald (Chief Executive of Brooks Macdonald), Bill Rattray (Finance Director of Aberdeen Asset Management plc) and Jules Hydleman (past Chairman of Innocent Drinks). All three bring a wealth of experience and expertise to the Board and their agreement to accept positions as non-executive directors expresses their confidence in the future of the Group.

Dividends

Your Board has considered the dividend policy of the Group and concluded that an interim dividend will not be declared this financial year in conjunction with our interim results although an interim dividend may be declared at the end of the current financial year in lieu of a final dividend.

Summary and outlook

The first half of the year has developed largely as expected. Due to the acquisition of the Friends Life book of SIPPs part way through this period we expect profits to be second half weighted.

With the increased regulatory environment for SIPP operators and forthcoming changes to capital adequacy rules we are seeing a continuing consolidation in the industry. We are being regularly approached by SIPP operators looking for an exit for a variety of reasons and we are evaluating opportunities as they come to us. Whilst it is one of our objectives to grow the business by acquisition as well as organically we will only consider acquisitions of high quality books of SIPPs that we know can provide at least the level of operating margins we are currently achieving. The recent admission to AIM has provided us with the resources and ability to consider and fund all levels of acquisition.

It is against this backdrop that we consider the environment to be favourable for our current growth strategy. Your Board looks forward with optimism to further growing Curtis Banks both organically and acquisitively for the benefit of its shareholders.

Chris Banks
Executive Chairman

Operational Review

The operational priority for the six month period to 30 June 2015 was to absorb the two acquisitions completed at the end of 2014 and to complete the acquisition of the Friends Life book of schemes, ultimately acquired in March 2015. This has resulted in considerable expense in terms of time and staffing in Bristol to integrate these books of SIPPs into Curtis Banks. As with all the acquisitions carried out to date there is an initially high investment of time and aligning the anomalies of new books acquired with Curtis Banks systems before the full benefit of the acquisitions can be realised.

New Full SIPP numbers from organic growth in the six months to 30 June 2015 were 1,416. Compared to the comparable period last year this shows an impressive growth of 47% and growth of 18% over the forecast for the period. Total Full SIPPs administered at the 30 June 2015 now total 21,513. The increased staff numbers, as well as working on books of SIPPs acquired, have been used to support this strong organic growth in Full SIPPs during the period.

As well as the impressive growth of Full SIPP numbers, new eSIPPs for the six month period have numbered 577, taking the overall total eSIPP numbers at the end of June 2015 to 5,242.

The average revenue per SIPP has fallen to £609 in the six month period to 30 June 2015 from £789 for the year ended 31 December 2014. This is attributable to the effect of the lower revenues from the eSIPP book acquired as part of the Pointon York acquisition in October 2014. eSIPPs have a lower fee structure and are less expensive to administer as they are on-line products. The full impact of this has been felt in 2015 whilst the results for the year ended 31 December 2014 only included two months of these revenues. In addition, other sources of revenue for the newly acquired books of business have yet to be fully developed.

The changes in Pension legislation over the past two budgets have to date had little impact on the business of Curtis Banks other than implicitly driving the growth levels in new SIPPs. The Group has seen no significant increase in withdrawals as a result of the new pension freedom abilities. All products, systems and literature of Curtis Banks have however been updated to reflect the changes and allow clients to fully take advantage of the new rules where allowed.

In addition a new product has been designed specifically to address Pension Freedom. This is a short term pension drawdown product that allows clients simple on-line access to their funds, held in cash, with no transactional costs each time a withdrawal takes place. The product has been targeted initially to the financial intermediary market and will be marketed to the wider community later in the year.

Development continues of the new operating system for the Group that will replace the current number of systems in place. The new system will allow more efficient processing of data and enhance on-line ability for clients and introducers of business as well as delivering a standard system across the whole of Curtis Banks.

Rupert Curtis
Chief Executive Officer

Financial Review

Revenues of £7.5m for the period have increased by 66% over the comparable period last year. This is through a combination of strong organic growth and the impact of the three acquisitions completed since 30 June 2014. These acquisitions were:

- The SIPP business of Pointon York SIPP Solutions Limited on 31 October 2014
- The SIPP business of Rathbones Pensions and Advisory Services Limited on 31 December 2014
- A book of self-invested pension products from Friends Life PLC on 13 March 2015.

The revenue contribution from the last of these acquisitions accounted for £599,213 of the revenue for the period to 30 June 2015. The full benefit of this acquisition will be felt in the second half of the year and future financial periods.

Interest income remains under pressure from the low interest rate environment currently being experienced for instant access funds.

Administrative expenses of £4.9m have increased for the period by 62% compared to the comparable period last year. This is a reflection of the acquisitions and additional staff resources needed to service these SIPPs and in the case of Pointon York SIPP Solutions the costs associated with an additional office at Market Harborough to maintain a high service level for this client bank. The retaining of this office ensures the retention of the highly experienced staff that transferred across to Curtis Banks as part of that acquisition. Administrative expenses also include the on-going costs associated with the flotation of Curtis Banks on AIM.

As a result of the exceptional growth of the business over the past year additional staff have been recruited in Bristol to strengthen the provision of general support services. Staff numbers in Curtis Banks have increased from 181 staff as at 31 December 2014 to 240 as at 30 August 2015, principally in Bristol where all support functions are located. This additional staffing will continue into the second half of the year but then will be at a level expected to be adequate to support future projected organic growth.

The Group incurred reorganisation costs of £99,397 as a consequence of moving the Head Office to new premises in Bristol in February 2015, a necessity given the growth over the past year.

The successful IPO of the Group in May 2015 raised new funds of £6.4m (net) and helped strengthen the Group balance sheet to net assets of £11.4m compared to £3.7m at the end of June 2014 and £5.2m at 31 December 2014. Of the £6.4m raised £1.4m was utilised to repay the preference shares outstanding as at the date of Admission. The remaining funds raised are on deposit and will be utilised for future acquisitions.

Capital expenditure on tangible fixed assets during the period has been significant at £537,000, partly arising from the investment and development in a new operating system and partly general upgrades in computer hardware to provide adequate storage and data recovery facilities to provide and ensure operational and data security requirements for the enlarged group.

Costs incurred during the period that relate to the proposed new operating systems and development of new products have been capitalised and will be written off over a four year period when the systems are operational and the products launched.

The new capital adequacy requirements for SIPP operators become effective from September 2016. Preliminary calculations have been made by Curtis Banks of the higher levels of capital needed under the new rules and based on these Curtis Banks has calculated that it will have more than sufficient capital in place to satisfy the requirements.

Paul Tarran
Finance Director

Condensed consolidated statement of comprehensive income

	Notes	Unaudited 6 month period ended 30-Jun-15 £	Unaudited 6 month period ended 30-Jun-14 £	Audited year ended 31-Dec-14 £
Revenue				
Continuing operations		6,925,323	4,539,634	9,545,231
Acquisitions	**3**	599,213	-	536,449
		7,524,536	4,539,634	10,081,680
Administrative expenses		(4,931,556)	(3,053,257)	(6,335,091)
Reorganisation costs		(99,397)	-	(105,750)
Operating profit before amortisation		2,493,583	1,486,377	3,640,839
Amortisation		(333,061)	(189,329)	(409,434)
Operating profit		2,160,522	1,297,048	3,231,405
Finance income		4,625	3,120	14,136
Finance costs		(84,132)	(70,867)	(141,518)
Profit before tax		2,081,015	1,229,301	3,104,023
Tax		(426,608)	(282,096)	(665,399)
Total comprehensive income for the year		1,654,407	947,205	2,438,624
Attributable to:				
Equity holders of the company		1,630,953	918,279	2,379,784
Non-controlling interests		23,454	28,926	58,840
		1,654,407	947,205	2,438,624
Earnings per ordinary share on operating profit				
Basic (pence)	**5**	3.93p	2.30p	5.95p
Diluted (pence)	**5**	3.85p	2.30p	5.91p
Earnings per ordinary share on operating profit before amortisation				
Basic (pence)	**5**	4.57p	2.67p	6.75p
Diluted (pence)	**5**	4.48p	2.67p	6.71p

The operating profit before financing for each period arises from the Group's continuing operations.

Condensed consolidated statement of changes in equity

Group

	Issued capital	**Share premium**	**Equity share based payments**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
	£	**£**	**£**	**£**	**£**	**£**	**£**
As at 1 January 2014 – audited	200,000	-	-	1,211,356	1,411,356	1,401,956	2,813,312
Comprehensive income for the period	-	-	-	918,279	918,279	28,926	947,205
Preference dividends declared	-	-	-	-	-	(28,000)	(28,000)
As at 30 June 2014 – unaudited	200,000	-	-	2,129,635	2,329,635	1,402,882	3,732,517
Comprehensive income for the period	-	-	-	1,461,505	1,461,505	29,914	1,491,419
Share based payments	-	-	31,979	-	31,979	-	31,979
Preference dividends declared	-	-	-	-	-	(28,000)	(28,000)
As at 31 December 2014 – audited	200,000	-	31,979	3,591,140	3,823,119	1,404,796	5,227,915
Comprehensive income for the period	-	-	-	1,630,953	1,630,953	23,454	1,654,407
Share based payments	-	-	65,421	-	65,421	-	65,421
Ordinary shares issued	23,737	-	-	-	23,737	-	23,737
Share premium	-	6,376,463	-	-	6,376,463	-	6,376,463
Ordinary dividends declared & paid	-	-	-	(500,000)	(500,000)	-	(500,000)
Preference dividends declared	-	-	-	-	-	(20,905)	(20,905)
Preference shares redeemed	-	-	-	-	-	(1,400,000)	(1,400,000)
As at 30 June 2015 - unaudited	223,737	6,376,463	97,400	4,722,093	11,419,693	7,345	11,427,038

Condensed consolidated statement of financial position

	Notes	Group		
		Unaudited	Unaudited	Audited
		30-Jun-15	30-Jun-14	31-Dec-14
		£	£	£
ASSETS				
Non-current assets				
Intangible assets	4	13,391,929	6,964,377	11,234,568
Property, plant and equipment		1,111,869	378,395	694,471
Investments		506	502	507
		14,504,304	7,343,274	11,929,546
Current assets				
Trade and other receivables		3,458,403	1,323,429	1,868,083
Cash and cash equivalents		7,531,964	2,886,823	2,698,782
		10,990,367	4,210,252	4,566,865
Total assets		25,494,671	11,553,526	16,496,411
LIABILITIES				
Current liabilities				
Trade and other payables		1,454,373	659,339	1,080,827
Deferred income		4,866,026	2,704,770	3,587,012
Borrowings		1,159,071	926,386	1,217,555
Deferred consideration		1,769,324	-	1,760,000
Current tax liability		801,466	934,404	375,121
		10,050,260	5,224,899	8,020,515
Non-current liabilities				
Borrowings		2,673,750	2,433,750	3,168,292
Deferred consideration		1,264,874	-	-
Shareholder loans		-	110,000	-
Deferred tax liability		78,749	52,360	79,689
		4,017,373	2,596,110	3,247,981
Total liabilities		14,067,633	7,821,009	11,268,496
Net assets		11,427,038	3,732,517	5,227,915
Equity attributable to owners of the parent				
Issued capital		223,737	200,000	200,000
Share premium		6,376,463	-	-
Equity share based payments		97,400	-	31,979
Retained earnings		4,722,093	2,129,635	3,591,140
		11,419,693	2,329,635	3,823,119
Non-controlling interest		7,345	1,402,882	1,404,796
Total equity		11,427,038	3,732,517	5,227,915

Condensed consolidated statement of cash flows

	Group		
	Unaudited 6 month period ended 30-Jun-15 £	Unaudited 6 month period ended 30-Jun-14 £	Audited year ended 31-Dec-14 £
Cash flows from operating activities			
Profit before tax	2,081,015	1,229,301	3,104,023
Adjustments for:			
Depreciation	120,395	83,083	177,606
Amortisation and impairments	347,731	204,708	409,434
Interest expense	84,132	70,867	141,518
Loss on disposal of property, plant & equipment	-	1,152	1,152
Share based payment expense	19,269	-	-
Changes in working capital:			
Increase in trade and other receivables	(1,254,080)	(158,554)	(749,791)
Increase in trade and other payables	817,283	239,772	671,119
Taxes paid	-	-	(917,682)
Net cash flows from operating activities	2,215,745	1,670,329	2,837,379
Cash flows from investing activities			
Purchase of intangible assets	(165,519)	-	-
Purchase of property, plant & equipment	(537,412)	(103,439)	(384,036)
Receipts from sale of property, plant & equipment	-	3,750	3,750
Consideration paid on business acquisitions	(438,052)	(1,500,000)	(3,423,779)
Net cash flow from investing activities	(1,140,983)	(1,599,689)	(3,804,065)
Cash flows from financing activities			
Capital element of finance lease contracts	(18,231)	(18,231)	(37,661)
Equity dividends paid	(534,905)	(151,250)	(179,250)
Net proceeds from issue of ordinary shares	6,400,200	-	-
Redemption of preference shares	(1,400,000)	-	-
Proceeds from borrowings	-	900,000	2,450,000
Repayment of borrowings	(597,500)	(386,250)	(939,823)
Interest element of finance lease rentals	(1,976)	(1,948)	(4,020)
Interest paid	(89,168)	(69,933)	(167,573)
Net cash received from financing activities	3,758,420	272,388	1,121,673
Net increase in cash and cash equivalents	4,833,182	343,028	154,987
Cash and cash equivalents at the beginning of the period	2,698,782	2,543,795	2,543,795
Cash and cash equivalents at the end of the period	7,531,964	2,886,823	2,698,782

Notes to the financial statements

1 Corporate information

Curtis Banks Group PLC ("the Company") is a public limited company incorporated and domiciled in England and Wales, whose shares were admitted to trading on the AIM market of the London Stock Exchange plc on 7 May 2015. The interim condensed consolidated financial statements comprise the Company and its subsidiaries ("the Group"). The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 7 September 2015.

The principal activity of the Group is that of the provision of pension administration services principally for Self Invested Personal Pension schemes ("SIPPs") and Small Self-Administered Pension schemes ("SSASs"). The Group is staffed by experienced professionals who all have proven track records in this sector.

2 Basis of preparation and accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's financial statements for the year ended 31 December 2014, which were prepared in accordance with International Financial Reporting Standards adopted by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee "IFRIC") of the IASB (together "IFRS") as adopted by the European Union, and in accordance with the requirements of The Companies Act 2006 applicable to companies reporting under IFRS.

The information relating to the six months ended 30 June 2015 and the six months ended 30 June 2014 is unaudited and does not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2014 have been reported on by its auditor and delivered to the Registrar of Companies. The report of the auditor was unqualified and did not draw attention to any matters by way of emphasis, or contain a statement under section 498(2) or (3) of The Companies Act 2006.

The earnings per share for the year ended 31 December 2014 are unaudited.

2.2 Basis of consolidation

The interim condensed consolidated financial statements consolidate the financial statements of the Company and its subsidiaries up to 30 June each year.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All inter-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

The trading subsidiaries of Curtis Banks Group PLC as at 30 June 2015 and 30 June 2014 were Curtis Banks Limited and Curtis Banks Investment Management Limited.

Curtis Banks Limited holds the entire issued share capital of Colston Trustees Limited, Montpelier Pension Trustees Limited, Tower Pension Trustees Limited, Tower Pension Trustees (S-B) Limited, Curtis Banks Pension Services Limited, Crescent Trustees Limited, Final Pursuit Limited, Temple Quay Pension Trustees Limited and Bridgewater Pension Trustees Limited. The accounts of these companies have not been consolidated into the group accounts as they would be immaterial to the Group's position. All of these companies are nominee companies for the pension products administered by Curtis Banks Limited and have been dormant during the period and are expected to remain dormant.

2.3 Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014.

Amendments to IFRSs effective for 2015 have not had a material effect on the results for the 6 months ended 30 June 2015.

New standards issued but not yet effective

The IASB and IFRIC have issued standards and interpretations with an effective date for periods starting on or after the date on which these financial statements start. Except for IFRS 15 and IFRS 9 no other newly issued standards are expected to have a material impact on the condensed consolidated interim financial statements and the consolidated financial statements to the Group. The potential impact of IFRS 15 and IFRS 9 are currently being evaluated.

Financial statements for the year ending 31 December 2015

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements will be consistent with those to be followed in the preparation of the Group's annual financial statements for the year ending 31 December 2015, except for the adoption of new standards and interpretations not yet issued.

2.4 Critical accounting judgements and estimates

The preparation of the condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgement at the date of preparation of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. The areas where a higher degree of judgement or complexity arises, or where assumptions and estimates are significant to the consolidated financial statements, are discussed below.

Intangible assets - Client portfolios

Client portfolios are amortised over their estimated useful economic life (UEL) of 20 years. This UEL is based upon management's historical experience of similar portfolios.

Additionally, the Group reviews whether acquired client portfolios are impaired at least on an annual basis. This comprises an estimation of future cash flows expected to arise from each client portfolio, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset, together with an estimated rate of attrition for each portfolio.

The carrying value of client portfolios at 30 June 2015, 31 December 2014 and 30 June 2014, was £13,217,030, £11,210,518 and £6,924,947 respectively.

Intangible assets – Computer software

In capitalising the costs of computer software as intangible assets management judge these costs to have an economic value that will extend into the future and meet the recognition criteria under IAS 38. Computer software costs are then amortised over an estimated UEL on a project by project basis.

Additionally, the Group determines whether computer software is impaired at least on an annual basis. This requires an estimation of the value in use. In assessing value in use the estimated future cash flows expected to arise from the software are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset.

The carrying value of computer software capitalised as intangible fixed assets at 30 June 2015, 31 December 2014 and 30 June 2014, was £174,899, £24,050 and £39,430 respectively.

3 Business combinations

Acquisition of SIPPs from Friends Life Limited

On 13 March 2015, Curtis Banks Limited acquired a book of 2,300 SIPPs from Friends Life Limited, and certain associated assets and liabilities. Consideration was agreed in the form of payment to Friends Life Limited of a share of the fees received from the book of SIPPs for a five year period from 13 March 2015. The acquisition has been accounted for using the acquisition method.

The fair value of the book of SIPPs, and identifiable assets and liabilities of the business acquired as at the date of acquisition were as follows:

	Fair value recognised on acquisition £
Client portfolios	2,060,342
Debtors	(81,222)
Deferred income	862,879
Cash receivable in respect of deferred income	(550,885)
Fair value of net assets acquired	**2,291,114**
Goodwill arising on acquisition	-
Total acquisition costs	**2,291,114**

Acquisition costs are analysed as follows:

Fair value of deferred consideration payable	1,573,313
Deferred income liability acquired	862,879
Initial consideration received in respect of deferred income	(350,000)
Debtors acquired	(81,222)
Transaction costs	286,144
Total acquisition costs	**2,291,114**

The deferred consideration has been accounted for at fair value, and is split between creditors due within one year and creditors due in more than one year. The deferred consideration has been discounted to present value.

The directors have not determined the post-acquisition operating results of the acquisition for the period ended 30 June 2015, as many of the support and general overhead costs for the book of SIPPs are carried out by existing staff of the Group.

Revenue of £599,213 has been recognised in relation to the book of SIPPs acquired during the period ended 30 June 2015. The revenue as though the acquired business had been held for the full six month period ended 30 June 2015 is estimated to be £1,027,222.

4 Intangible assets

	Client portfolios £	Computer software £	Total £
Cost			
At 1 January 2014	7,507,133	123,028	7,630,161
Additions	1,719	-	1,719
At 30 June 2014	7,508,852	123,028	7,631,880
Arising on acquisitions	4,474,919	-	4,474,919
At 31 December 2014	11,983,771	123,028	12,106,799
Additions	48,459	165,519	213,978
Arising on acquisitions	2,291,114	-	2,291,114
At 30 June 2015	14,323,344	288,547	14,611,891
Amortisation			
At 1 January 2014	394,576	68,221	462,797
Charge for the period	189,329	15,377	204,706
At 30 June 2014	583,905	83,598	667,503
Charge for the period	189,348	15,380	204,728
At 31 December 2014	773,253	98,978	872,231
Charge for the period	333,061	14,670	347,731
At 30 June 2015	1,106,314	113,648	1,219,962
Net book value			
At 31 December 2013	7,112,557	54,807	7,167,364
At 30 June 2014	6,924,947	39,430	6,964,377
At 31 December 2014	11,210,518	24,050	11,234,568
At 30 June 2015	13,217,030	174,899	13,391,929

5 Earnings per ordinary share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Unaudited 6 month period ended 30-Jun-15 £	**Unaudited 6 month period ended 30-Jun-14 £**	**Audited year ended 31-Dec-14 £**
Net profit and diluted net profit available to equity holders of the company	1,630,953	918,279	2,379,784
Net profit and diluted net profit before amortisation available to equity holders of the company	1,895,737	1,066,902	2,701,193
Weighted average number of ordinary shares:			
Issued ordinary shares at start of period	200,000	200,000	200,000
Subdivision of shares by factor of 200	39,800,000	39,800,000	39,800,000
Effect of shares issued in current period	1,455,322	-	-
Basic weighted average number of shares	41,455,322	40,000,000	40,000,000
Effect of options exercisable at the reporting date	284,865	-	-
Effect of options not yet exercisable at the reporting date	569,731	-	249,616
Diluted weighted average number of shares	42,309,918	40,000,000	40,249,616
Earnings per share:			
Basic	3.93p	2.30p	5.95p
Diluted	3.85p	2.30p	5.91p
Earnings per share on net operating profit before amortisation:			
Basic	4.57p	2.67p	6.75p
Diluted	4.48p	2.67p	6.71p

The ordinary share capital of the Company was subdivided by a factor of 200 on 28 April 2015. The weighted average number of ordinary shares in issue has been restated for the periods to 30 June 2014 and 31 December 2014 as if the subdivision of shares had always existed.

6 Dividends paid and proposed

	Unaudited 6 month period ended 30-Jun-15 £	Unaudited 6 month period ended 30-Jun-14 £	Audited year ended 31-Dec-14 £
Paid during the period:			
Equity dividend on ordinary shares:			
Final dividend for 2014	500,000	-	-
	500,000	-	-

No dividends have been proposed or declared in the period after 30 June 2015 up to the date these financial statements were signed.

During the period, £20,905 (30 June 2014: £28,000) worth of preference share dividends were paid in relation to non-controlling interests. On 15 May 2015, all preference shares were redeemed. Consequently, no further preference share dividends are expected.

7 Income tax

Tax is charged at 20.5% for the six months ended 30 June 2015 (30 June 2014: 21.5%) representing the best estimate of the average annual effective tax rate expected to apply for the full year, applied to the pre-tax income of the six month period.

Current tax for current and prior periods is classified as a current liability to the extent that it is unpaid. Any amounts paid in excess of amounts owed would be classified as a current asset.

8 Share based payments

No options were held or granted throughout the period ended 30 June 2014.

The ordinary share capital of the Company was subdivided by a factor of 200 on 28 April 2015. Consequently, all shares under option and associated exercise prices were also subdivided by a factor of 200.

EMI share option scheme

The Company set up an EMI scheme during the year ended 31 December 2014 by which certain employees and key management personnel are able to subscribe to ordinary shares in the Company. As at the period end, 27 employees (including key management personnel) held options as follows:

Date of grant	Number of shares under option at 31 December 2014	Granted during the period	Number of shares under option at 30 June 2015	Exercise price	Expiry date

24 October 2014	622,200	-	622,200	10.11p	24 October 2024
8 April 2015	-	800,000	800,000	62.54p	8 April 2025

207,400 options became exercisable during the period ended 30 June 2015. Of the remaining 1,214,800 options, 207,400 will vest in halves on both 24 October 2016 and 24 October 2017 at an exercise price of 10.11p, and 800,000 options will vest in thirds on 1 July 2015, 1 July 2016 and 1 July 2017 at an exercise price of 62.54p.

Third party share options

Date of grant	**Number of shares under option at 31 December 2014**	**Exercised during the period**	**Number of shares under option at 30 June 2015**	**Exercise price**	**Expiry date**
31 October 2014	800,000	(800,000)	-	0.5p	n/a

As it was not possible to reliably measure the fair value of the goods received from third parties for these options, they have been measured indirectly at the fair value of the instruments granted.

The weighted average exercise price for all options outstanding at 30 June 2015 was 39.6p.

Share based payment expenses

The ordinary share capital of the Company was subdivided by a factor of 200 on 28 April 2015, and the exercise price on options granted was also subdivided by a factor of 200 on this date. The fair values of the options at the date of grant were determined by using the Black Scholes model. The model inputs were a risk free rate of 0.5%, expected volatility of 24%, zero dividend yield, and a share price at 24 October and 31 October 2014 of 10.11p, and at 8 April 2015 of 62.54p. Expected volatility was based upon historical information from similar entities.

Date of grant	**Exercise price**	**Expiry date**	**Number of shares under option at 30 June 2015**	**Estimated fair value per option**
24 October 2014	10.11p	24 October 2024	622,200	2.13p
8 April 2015	62.54p	8 April 2025	800,000	5.64p

The total charge to the condensed consolidated statement of comprehensive income arising from equity-settled share-based payment transactions for the period ended 30 June 2015 was £19,269. The total increase in equity arising from equity-settled share-based payment transactions for the period ended 30 June 2015 was £65,421. The difference of £46,152 is included within intangible assets as an addition to Client Portfolios.