WALKERCRIPS

13 June 2013

Walker Crips Group plc

Preliminary results for the year ended 31 March 2013

Walker Crips Group plc ("WCG", the "Company" or the "Group"), the financial services group with activities covering investment management and wealth management services today announces its unaudited preliminary results for the year ended 31 March 2013 (the "period").

Highlights

- Disposal of Walker Crips Asset Managers Ltd ("WCAM") fund management subsidiary in April 2012 realised a one-off gain of in excess of £11.7m which helped deliver record pre-tax profits of £9.1m (2012: £0.6m) and earnings per share of 25.21p (2012: 0.77p)

- Strategy to refocus and grow the investment management business is delivering encouraging initial results

- Group revenue stable at £20.3m (2012: £20.3m) with prior year WCAM revenue of £3.5m replaced by the efforts of an expanded investment management team

- Discretionary and advisory assets under management increased by 64% (on a like for like basis, excluding WCAM)

- Total assets under management and administration increased to £2.0bn, an increase of 43% over the prior year

- Improving profitability in second half of the year helped limit the full year operating loss (before exceptional items) to £1.0m (2012: profit of £0.8m), after operating loss (before exceptional items) of £0.7m in the first half of the year

- Cash balances at period end of £7.8m (31 March 2012: £1.3m); Net assets at period end of £19.5m (31 March 2012: £13.4m)

- Significant ongoing overhead savings cemented early in new financial year through a cost-effective office relocation exercise at period end

- Record dividends of 8.87p per share (2012: 1.84p per share) including 7.5p per share special interim dividends (2012: nil) paid from WCAM disposal profits

- Non-broking income as a proportion of total income increased to 62.1% (2012: 60.3%)

- Post period end disposal of Keith Bayley Rogers, the Group's corporate finance business

Commenting on the results, David Gelber, Chairman, said:

“As a result of the strategic initiatives and changes implemented during the year, we have seen a consistent run rate of profitability in the months immediately before and since the year end. This gives us measured optimism for the current year.

Many worldwide financial issues remain unresolved, the continuing uncertainty from international monetary easing and ongoing Eurozone issues to name just two. However, despite volatility, global equity markets have shown some resilience and this has assisted in an encouraging start to the current year for the Group.

The combination of our continued focus on the development of the Group’s investment and wealth management businesses, our new product pipeline, the cost savings derived from our restructuring and our balance sheet strength leaves the Group in prime position to grow and to benefit all stakeholders in the business in the future."

For further information, please contact:

Walker Crips Group plc Tel: +44 (0)20 3100 8131
Geri Jacks, Media Relations

Altium Tel: +44 (0)20 7484 4010
Ben Thorne
Tim Richardson

Further information on Walker Crips Group plc is available on the Group's website:
www.wcgplc.co.uk

Chairman's Statement

Summary

The results for the year ended 31 March 2013 are dominated by the actions taken to implement the Board's strategy of focussing on the Group's core investment management, stock broking and wealth management businesses. Most notably the one-off gain arising from the successful disposal of Walker Crips Asset Managers Ltd ("WCAM") has enabled us to report record pre-tax profits of £9.1m and to return a substantial amount of capital to shareholders through two special dividend payments during the year.

The Group also acquired 20 new investment managers, moved its back-office operations into a new more cost-effective location and completed the disposal after year end of its corporate finance subsidiary.

As a result of these actions, the Group is well on track to return its core business to significant profitability.

Business Performance Overview

Operating losses (before exceptional items) for the year of £1.0m (2012: operating profit of £0.8m) reflect the weak trading conditions and lower volumes which persisted until the fourth quarter, materially impacting private client commission income and an increase in the proportion of shared revenues which in turn increased the commission paid to £8.6m (2012: £5.7m).

However, revenues in the last quarter of the year showed an encouraging improving trend which has continued into the current year.

Exceptional administrative expenses of £1.3m (2012: £0.3m) were incurred during the year, predominantly in restructuring and redeveloping the continuing businesses and aimed at future cost savings or potential revenue generation. As part of this process we relocated our settlement and administration functions out of the City of London to Romford. This, together with the re-configuration of our London office, is already resulting in significant cost savings, with no loss of efficiency or service levels, and will provide immediate improvements to the Group's profitability.

Corporate Events/Strategy

In the year under review we made significant progress in implementing our strategy of redeveloping our core businesses. Such progress was aided considerably by Chief Investment Officer, Mark Rushton, who was recruited to the Group in February 2012.

In April 2012 we completed the disposal of WCAM to Liontrust Asset Management plc ("Liontrust") for a consideration of £12.7m in a combination of cash, Liontrust shares and convertible unsecured loan stock ("CULS"). This resulted in a one-off gain in excess of £11.7m and substantially increased the resources available to re-invest in the core businesses. The Liontrust shares and some of the CULS have since been disposed of, further adding to the liquid resources available to the Group.

The focus of our re-investment has been on the recruitment of additional investment managers and their clients, assets and associated revenue streams. This has continued steadily throughout the year and is well ahead of expectations.

In November 2012, we agreed the sale of Keith Bayley Rogers and Co., our corporate finance subsidiary, for a consideration of £0.3m. This disposal of the last of our non-core businesses completed after the year end, on 31 May 2013.

Balance Sheet
As at 31 March 2013, the Group had net assets of £19.5m, including net cash of £7.8m, the strongest balance sheet in its history, providing a solid platform on which to build future growth.

Our remaining holding of CULS has been re-valued as at 31 March 2013. The significant increase in the share price underlying this instrument has resulted in a total revaluation gain of £883,000, most of which is reflected in this year's income statement.

Dividends
In recognition of the gain made by the Group on the disposal of WCAM, the Board declared two special interim dividends during the year, returning an aggregate of 7.5 pence per ordinary share to shareholders.

The Board also rebased the ongoing annual dividend payments to a level which is more consistent with the continuing business. The Board anticipates that these dividends can be increased over time as the implementation of its strategy enables the Group to improve its underlying profitability.

The Board is pleased to announce a final dividend for the year of 0.9 pence per ordinary share (2012: 0.9 pence per ordinary share) which, when combined with the interim dividends of 7.97 pence per ordinary share (0.47 pence per ordinary share excluding the special interim dividends; 2012: 0.94 pence per ordinary share) makes a total dividend for the year of 8.87 pence per ordinary share (1.37 pence per ordinary share excluding the special interim dividends; 2012: 1.84 pence per ordinary share). The final dividend will be paid on 26 July 2013 to those shareholders on the register at the close of business on 28 June 2013.

AGM
This year's Annual General Meeting will be held at the South Place Hotel, 3 South Place, London,EC2M 2AF on 19 July 2013 at 11.00 am. Coffee and biscuits will be served for a short time before and after the meeting.

Outlook
As a result of the strategic initiatives and changes implemented during the year, we have seen a consistent run rate of profitability in the months immediately before and since the year end. This gives us measured optimism for the current year.

Many worldwide financial issues remain unresolved, the continuing uncertainty from international monetary easing and ongoing Eurozone issues to name just two. However, despite volatility, global equity markets have shown some resilience and this has assisted in an encouraging start to the current year for the Group.

The combination of our continued focus on the development of the Group's investment and wealth management businesses, our new product pipeline, the cost savings derived from our restructuring and our balance sheet strength leaves the Group in prime position to grow and to benefit all stakeholders in the business in the future.

David Gelber
Chairman

Chief Executive's Report

Results overview

The overriding theme for the year has been one of change, the catalyst for which was the significant gain made upon the disposal of WCAM. I am delighted to report that the implementation of new initiatives to generate material increases in revenue and earnings in our core businesses have had an increasingly positive impact on our trading as the year progressed. The Group is now very well placed for further advances in the current year, especially with the benefit of almost a full year of the substantial savings obtained from our recent office relocations.

Gross revenue for the year to 31 March 2013 was £20.3m, a level consistent with the prior year (2012: £20.3m) despite the loss of the WCAM income of nearly £3.5m included in 2012. On a like-for-like basis, gross revenue increased by 22% to £19.9m (2012: £16.3m) although, as an expected consequence, the proportion of income subject to commission sharing arrangements also increased significantly. This resulted in higher payments to our burgeoning teams of internal and external investment managers and, correspondingly, lower net income (gross profits) of £11.8m (2012: £14.6m). The executive management team, bolstered by the addition of Mark Rushton in the new role of Chief Investment Officer, is confident that it has the focus and resources to continue to drive the Group's investment management and wealth management businesses forward.

Administrative expenses were closely monitored and were contained without any increase over the prior year. However, specific front end development costs were incurred in executing the Board's growth strategy, thereby increasing overheads linked to expected attributable revenues and the full realisation of much larger related cost savings.

The Group's underlying operating loss (before the exceptional costs incurred in the restructuring and refocusing of the Group) for the year was £1.0m (2012: restated underlying operating profit of £0.8m), of which £0.7m was incurred in the first half of the year, clearly demonstrating the improvements in trading as the year progressed.

Exceptional administrative costs of £1.3m (2012: £0.3m) were incurred during the year.

The profit before tax for the year of £9.1m (2012: £0.6m restated) reflects, in particular, the significant gain on the disposal of WCAM. Other non-operating items include:

- A goodwill write down of £1.2m reflecting the Board's view of the negative impact of generally weak global markets on the trading performance of some of the Group's business units in the first half of the year, in particular the reduction in the cash generation of the stockbroking and corporate finance businesses;
- The conversion and disposal of part of the £4m holding of CULS yielding a profit of £0.4m;
- The disposal of our holding of 1,851,967 Liontrust ordinary shares which yielded a loss of £0.6m and the revaluation of remaining CULS at the yearend generating a revaluation gain of £0.8m.

Earnings per share for the year of 25.21 pence (2012: 0.77 pence restated) reflect the impact of the above non-operating items.

Investment Management

The Board's strategic vision of 'Making Investment Rewarding' is revitalising both our Private Client Portfolio Investment Management and Stockbroking revenue streams. We have utilised our robust balance sheet to acquire new investment managers and can boast a total of 20 new client-facing recruits since March 2012. Nearly all brought strong client relationships which have had an immediate impact on Group revenue and which we anticipate will more than replace the lost WCAM revenues.

Discretionary and advisory assets under management (AUM) at the year end were £1,030m (31 March 2012: £628m excluding WCAM), a 64% increase reflecting the greater emphasis we now place on growing our fee-based revenue streams. Total assets under management and administration also increased by 43% to £2.0 billion over the comparable amount for the prior year.

We have also upgraded our systems and developed new products and services which have been successfully launched to the market, including our discretionary investment portfolio models which are aimed at building IFA client access channels, and extending the traditional private client base.

We have embraced industry-wide rule changes to deliver more transparent fee structures, which we will continue to streamline. We are also looking to continue growing our fee based income and look forward to reporting progress on this in future results.

As well as traditional bonds and equities and alternative asset classes, and in line with clients' demand, the internally managed Private Client division's services have increased activity in covered options where suitable for individual clients.

Our traditional advisory and execution-only business bore the brunt of the turbulent markets in the first half year. However, in the second half year it generated £4.7m of commission income, an encouraging 47% increase compared to the first half.

The Structured Investments team produced a record year largely unaffected by the changes resulting from the FCA's Retail Distribution Review which took effect on 31 December 2012. The product range has achieved impressive returns and continues to be popular amongst professional advisers.

With low interest rates making Cash ISAs unattractive, subscriptions into our Stocks and Shares ISA product increased by 32% year on year, justifying once again our policy of incubating products for several years until more lucrative future returns can be enjoyed.

Fund Management

The Group retained the management of the CF Corporate Bond Fund following the disposal of WCAM. This fund totalled £22.7m at the time of the WCAM disposal and, at the year end, stood at £24.7m reflecting a successful strategy of income generation with lower risk than most of its peers. The fund management team have a clear strategy to continue to grow funds under management and to increase profitability.

The decision was taken to wind up the Global Growth and Select Income Funds, which were felt to have become less attractive propositions for investors and clients. This process concluded after the year end with almost all of the funds being reinvested via the investment management and wealth management services of Walker Crips.

Wealth Management (previously referred to as Financial Services)

Our innovative Wealth Management division, based in York, continues to be driven by focused management and a very competent team of advisers, who provide a committed, premium service to its predominantly regional base.

In the year to 31 March 2013, the York operation delivered a record operating profit and, post the advent of RDR, activity remains strong. Auto enrolment related revenue linked to assisting small and medium sized corporates, with their need to meet the new employee pension rules, boosted the year's revenues and continues to support revenues in the current year.

Overall assets under management in the pensions subdivision at the year end were £301m (2012: £291m). The SIPP (Self Invested Personal Pension) product enjoyed a strong year with 10% growth in new SIPP plans to 330 at the year end (31 March 2012: 300). Assets under administration at the period end also were up 10% at just over £95m (2012: £87m). In addition, the SSAS (Small Self Administered Scheme) product experienced acceptable growth and is now being more overtly marketed to small corporate and family controlled companies in need of dedicated pension services. SSAS plans under administration at the year end amounted to £206 m (2012: £204m).

Liquidity

The current level of cash resources within the business remains more than sufficient for working capital purposes and provides adequate headroom even when faced with volatile business flows. Cash at the yearend stood at £7.8m with no borrowings in place. Great emphasis is placed on the credit risk of the banking institutions with whom we place funds, with financial stability taking priority over high rates of return which are rare in current economic conditions.

Going Concern

The Group continues to maintain a robust financial position. Having conducted detailed cash flow and working capital forecasts and appropriate stress-testing on liquidity, profitability and regulatory capital, taking account of possible adverse changes in trading performance, the Board has sufficient grounds to believe the Group is well placed to manage its business risks adequately; and that it will be able to operate within the level of its current financing arrangements and regulatory capital limits. Accordingly, the Board continues to adopt the going concern basis for the preparation of the financial statements.

Staff

It is the collegiate atmosphere at Walker Crips which makes it the special company it is and I would like to thank all members of the team, both staff and associates, for their efforts during the year, in particular for their positive reaction to our decision to relocate to new office space and in accommodating the ongoing stream of new investment managers, advisers and clients joining our ranks.

Special thanks goes to the individuals in our IT department, who unwaveringly demonstrated great support and flexibility in ensuring the office moves were smooth and efficient and enabled us to continue to serve our clients seamlessly. I thank them all for their outstanding fortitude in maintaining the highest standards of service under immense pressure.

Outlook

We are encouraged by the growing number of quality revenue generators who are attracted to the Walker Crips platform, with its compelling offering in this exciting phase of expansion, and who bring their own capabilities and client bases. Since the year end we have added six more investment managers and their clients and assets under management to the team.

Overall trading activity in the opening weeks of the new financial year has been strong, with the current global optimism reflected in investor sentiment. Your Board believes that the Group is well positioned to capitalise on improvements in its markets over the longer term and that the right strategy for delivering underlying growth in the next phase of the Group’s development is in place.

Rodney FitzGerald
Chief Executive Officer

Consolidated Income Statement
Year ended 31 March 2013

	Notes	2013 £'000	Restated 2012 £'000
Continuing operations			
Revenue		20,372	20,306
Commission payable		(8,562)	(5,735)
Gross profit		**11,810**	**14,571**
Share of after tax profits of joint ventures		7	12
Administrative expenses – other		(12,841)	(13,779)*
Administrative expenses – exceptional item	4	(1,299)	(286)
Total administrative expenses		(14,140)	(14,065)*
Operating (loss) / profit		**(2,323)**	**518***
Analysed as:			
(Loss)/Profit before tax and exceptional item		(1,024)	804*
Administrative expenses – exceptional item	4	(1,299)	(286)
Operating (loss) / profit		**(2,323)**	**518***
Gains and losses on disposal of investments	5	(189)	-
Gain on disposal of subsidiary undertaking	6	11,700	-
Unrealised gain on revaluation of investments		828	-
Goodwill impairment charges		(1,221)	-
Investment revenues		313	46
Finance costs		(5)	(5)
Profit before tax		**9,103**	**559***
Taxation		50	(278)*
Profit for the year attributable to equity holders of the company		**9,153**	**281***
Earnings per share			
Basic	3	25.21	0.77p*
Diluted	3	24.39	0.76p*

* Amounts have been restated explained further in Note 7.

Consolidated Statement of Comprehensive Income
Year ended 31 March 2013

	2013 £'000	Restated 2012 £'000
Profit/(loss) on revaluation of available-for-sale investments taken to equity	180	(484)
Deferred tax on (profit)/loss on available-for-sale investments	(35)	138
Deferred tax on share options	(2)	(4)
Net profit/(loss) recognised directly in equity	**143**	**(350)**
Profit for the year	**9,153**	**281***
Total comprehensive income/(loss) for the year attributable to equity holders of the company	**9,296**	**(69)**

* Amounts have been restated explained further in Note 7.

Consolidated Statement of Financial Position
31 March 2013

	Group 2013 £'000	Restated Group 2012 £'000	Restated Group 1 April 2011 £'000
Non-current assets			
Goodwill	2,901	5,121	5,121
Other intangible assets	1,249	346	461
Property, plant and equipment	636	660	767
Investment in joint ventures	31	35	34
Available-for-sale investments	5,792	699	1,183
	10,609	6,861	7,566
Current assets			
Trade and other receivables	36,409	57,316	35,847
Trading investments	634	384	720
Deferred tax asset	182	360*	26
Cash and cash equivalents	7,848	1,335	4,281
	45,073	59,395*	40,874
Total assets	**55,682**	**66,256***	**48,440**
Current liabilities			
Trade and other payables	(35,776)	(52,032)*	(33,438)*
Current tax liabilities	(175)	(391)	(512)*
Bank overdrafts	-	(407)	-
Shares to be issued	(226)	-	-
	(36,177)	(52,830)*	(33,950)*
Net current assets	**8,896**	**6,565***	**6,924***
Net assets	**19,505**	**13,426***	**14,490**
Equity			
Share capital	2,470	2,470	2,470
Share premium account	1,630	1,626	1,626
Own shares	(312)	(312)	(312)
Retained earnings	10,430	4,498*	5,212*
Revaluation reserve	619	474	820
Other reserves	4,668	4,670	4,674
Equity attributable to equity holders of the company	**19,505**	**13,426***	**14,490**

* Amounts have been restated explained further in Note 7.

Consolidated Statement of Cash Flows
Year ended 31 March 2013

	2013	2012
	£'000	£'000
Operating activities		
Cash generated by/(used) by operations	2,413	(1,959)
Interest received	231	26
Interest paid	(5)	(5)
Tax paid	(23)	(592)
Net cash generated/(used) by operating activities	**2,616**	**(2,530)**
Investing activities		
Purchase of property, plant and equipment	(490)	(195)
Net (purchase)/sale of investments held for trading	(250)	336
Net sale of available for sale investments	3,236	-
Net proceeds on sale of subsidiary	5,451	-
Acquisition of businesses	(453)	-
Dividends received	27	31
Net cash generated by investing activities	**7,521**	**172**
Financing activities		
Issue of new shares	4	-
Dividends paid	(3,221)	(995)
Net cash used in financing activities	**(3,217)**	**(995)**
Net increase/(decrease) in cash and cash equivalents	6,920	(3,353)
Net cash and cash equivalents at beginning of year	928	4,281
Net cash and cash equivalents at end of year	**7,848**	**928**
Cash and cash equivalents	7,848	1,335
Bank overdrafts	-	(407)
	7,848	928

Consolidated Statement of Changes in Equity
Year ended 31 March 2013

	Called up share capital £'000	Share premium £'000	Own shares held £'000	Capital Redemption £'000	Other £'000	Revaluation £'000	Restated Retained earnings £'000	Restated Total Equity £'000
Equity as at 31 March 2011	**2,470**	**1,626**	**(312)**	**111**	**4,563**	**820**	**5,387***	**14,665***
Restatement (Note 7)	-	-	-	-	-	-	(175)	(175)
Restated Equity as at 31 March 2011	**2,470**	**1,626**	**(312)**	**111**	**4,563**	**820**	**5,212**	**14,490**
Revaluation of investment at fair value	-	-	-	-	-	(484)	-	(484)
Deferred tax credit to equity	-	-	-	-	-	138	-	138
Movement on deferred tax on share options	-	-	-	-	(4)	-	-	(4)
Profit for the year	-	-	-	-	-	-	440	440
Restatement (Note 7)	-	-	-	-	-	-	(159)	(159)
Restated Profit for the year 2012	-	-	-	-	-	-	281*	281*
Dividends paid	-	-	-	-	-	-	(995)	(995)
Equity as at 31 March 2012	**2,470**	**1,626**	**(312)**	**111**	**4,559**	**474**	**4,498***	**13,426***
Revaluation of investment at fair value	-	-	-	-	-	180	-	180
Deferred tax credit to equity	-	-	-	-	-	(35)	-	(35)
Movement on deferred tax on share options	-	-	-	-	(2)	-	-	(2)
Profit for the year	-	-	-	-	-	-	9,153	9,153
Dividends paid	-	-	-	-	-	-	(3,221)	(3,221)
Issue of shares on exercise of options	-	4	-	-	-	-	-	4
Equity as at 31 March 2013	**2,470**	**1,630**	**(312)**	**111**	**4,557**	**619**	**10,430**	**19,505**

* Amounts have been restated explained further in Note 7.

Notes to the Accounts
Year ended 31 March 2013

1. **Status of financial information**

   The financial information set out in the announcement does not constitute the company's statutory accounts for the years ended 31 March 2013 or 2012. The financial information for the year ended 31 March 2012 is derived from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditors report on those accounts was unqualified and did not contain a statement under s. 498(2) or (3) Companies Act 2006. The statutory accounts for the year ended 31 March 2013 are yet to be signed but will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the company's annual general meeting.

   Going Concern

   The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Chief Executive's report.

   The Group has healthy financial resources together with a long established, well proven and tested business model. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

   After conducting enquiries, the directors believe that the Group has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2. **Basis of preparation**

   Whilst the information as set out in this preliminary announcement is prepared in accordance with International Financial Reporting Standards ('IFRS') the announcement itself does not contain sufficient information to comply with IFRS.

   The accounting policies are consistent with those applied in the full financial statements and are consistent with those of the prior year.

3. **Earnings per share**

   The calculation of basic earnings per share for continuing operations is based on the post-tax profit for the financial year of £9,153,000 (2012: £281,000 restated) and on 36,305,572 (2012: 36,301,187) ordinary shares of 6⅔p, being the weighted average number of ordinary shares in issue during the year.

   The effect of options granted would be to reduce the reported earnings per share. The calculation of diluted earnings per share is based on 37,525,275 (2012: 37,101,553) ordinary shares, being the weighted average number of ordinary shares in issue during the Period adjusted for dilutive potential ordinary shares.

4. Administrative expenses – exceptional item

As a result of its materiality the directors decided to disclose certain amounts separately in order to present results which are not distorted by significant non-recurring events.

	2013 £'000	2012 £'000
Leasehold improvements written off	228	-
Discretionary bonuses	486	-
Legal and professional costs on one-off transactions	585	286
	1,299	**286**

The Group has re-located a large part of its operations to more cost effective premises. Leasehold improvement costs incurred for the old lease premises have therefore been written down during the period to a level more accurately reflecting their value in use. These costs amounted to £228,000 during the period.

Also, in recognition of their efforts in helping to create and support the asset management subsidiary (WCAM), which was sold realising a profit of £11.7 million, a special bonus of £486,000 in total was awarded for the year to specific staff members and executive directors who played a part in helping to create the value of that asset.

Significant legal and professional fees were incurred in the transfer of a number of investment managers and their clients as well as receiving advice on several other potential corporate transactions. These amounted to £585,000 in the period and due to their size and one-off nature, the Board has decided to disclose them separately.

In the prior period, up to the 31 March 2012, the Company had incurred substantial non-success based legal & professional fees and other costs relating to the disposal of WCAM.

5. Gains and Losses on disposal of investments

Net gains and Losses comprise:

	2013 £'000	2012 £'000
(Loss) on sale of investment in Liontrust shares	(579)	-
Gain on partial disposal of investment in Liontrust CULS	390	-
	(189)	**-**

During the period the Group disposed of its entire holding of 1,851,967 Liontrust ordinary shares received as part consideration on the disposal of WCAM, incurring a loss on disposal of £579,000. In addition, conversion and disposal of a part of the holding of Liontrust Convertible Unsecured Loan Stock yielded a profit of £390,000. Due to its level of materiality and one-off nature, the Board has decided to disclose these items separately.

6. Gain on disposal of subsidiary undertaking

On 12 April 2012, the Group completed the disposal of its subsidiary WCAM to Liontrust Asset Management plc (following FSA and shareholder approval).

7. **Restatement**

Due to a misinterpretation of guidance regarding the basis of its calculation of tariff data submitted to the Financial Conduct Authority used to determine the Financial Services Compensation Scheme levy for the company's regulated subsidiary, Walker Crips Stockbrokers Limited, for the years to 31 March 2011 and 31 March 2012, the Company has made adjustments for these material underpayments of £441,000 in these financial statements as follows:

31 March 2011	£231,000
31 March 2012	£210,000

The net impact after tax on equity reserves of these adjustments is £334,000.

8. **Segmental analysis**

For management purposes the Group is currently organised into four operating divisions – Investment Management, Corporate Finance, Wealth Management (previously referred to as Financial Services) and Fund Management. These divisions, all of which conduct business in the United Kingdom only, are the basis on which the Group reports its primary segment information.

2013	**Investment Management £'000**	**Corporate Finance £'000**	**Wealth Management £'000**	**Fund Management £'000**	**Consolidated Year ended 31 March 2013 £'000**
Revenue					
External sales	16,957	309	2,590	516	20,372
Result					
Segment result	(1,223)	(48)	444	40	(787)
Unallocated corporate expenses					(1,536)
Operating loss					(2,323)
Loss on disposal of investments					(189)
Gain on disposal of subsidiary undertaking					11,700
Unrealised gain on revaluation of investments					828
Goodwill impairment charges					(1,221)
Investment revenues					313
Finance costs					(5)
Profit before tax					9,103
Tax					50
Profit after tax					9,153
Other information					
Capital additions	470	15	27	6	517
Depreciation	509	16	9	6	541
Statement of Financial Position					
Assets					
Segment assets	39,310	417	1,591	197	41,515
Unallocated corporate assets					14,167
Consolidated total assets					55,682
Liabilities					
Segment liabilities	34,302	34	517	157	35,010
Unallocated corporate liabilities					1,167
Consolidated total liabilities					36,177

2012	Investment Management £'000	Corporate Finance £'000	Wealth Management £'000	Fund Management £'000	Restated Consolidated Year ended 31 March 2012 £'000
Revenue					
External sales	14,005	274	2,062	3,965	20,306
Result					
Segment result	(721)*	(94)	213	2,359	1,757*
Unallocated corporate expenses					(1,239)
Operating profit					518*
Investment revenues					46
Finance costs					(5)
Profit before tax					559*
Tax					(278)*
Profit after tax					281*
Other information					
Capital additions	172	8	10	5	195
Depreciation	272	12	10	8	302
Statement of Financial Position					
Assets					
Segment assets	56,929	355	1,168	1,154	59,606
Unallocated corporate assets					6,544
Consolidated total assets					66,150
Liabilities					
Segment liabilities	51,372*	55	402	549	52,378*
Unallocated corporate liabilities					346
Consolidated total liabilities					52,724*

* Amounts have been restated explained further in Note 7.