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Treat yourself or a loved one to new or pre-owned jewellery



Use your jewellery to access cash when you need it

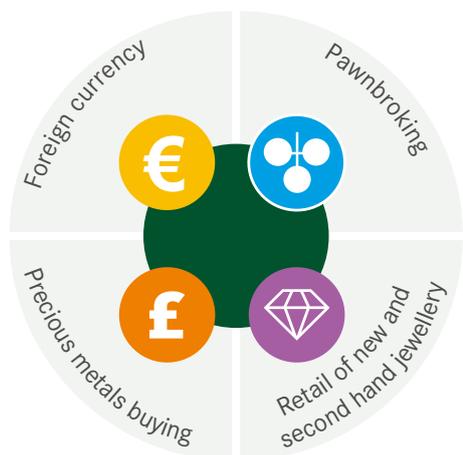


RAMSDENS

**HELPING YOU WITH
EVERYDAY LIFE**

WHAT WE DO

Ramsdens is a diversified financial services provider and retailer operating in the following core segments:



HOW WE DO IT

Head quartered in Middlesbrough, with roots that can be traced back to the 1970s, we provide our products and services from 131 stores (including 4 franchised outlets) within the UK and have a growing online offering for Foreign Currency and Jewellery Retail.



MISSION

Our mission is to provide a great customer offering and give such fantastic service that our customers become ambassadors for Ramsdens.

GROSS PROFIT



(taken from accounts in £000's)

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A year of growth

FY18 was another year of growth for Ramsdens.

Profitable and growing

£7.9m*

Underlying EBITDA grew by 31%

(FY17: £6.0m)

£6.5m*

Underlying PBT grew by 60%

(FY17: £4.0m)

Strong Balance Sheet

£27.6m

Net Assets up £4.2m
(£27.6m including cash of £14.6m)

(FY17: £23.4m)

£12.7m

Net Cash

(FY17: £9.5m)

Operational progress

£6.4m

Pawnbroking loan book increased 8%

£483m

Currency exchanged increased 18%

*The underlying figures above and below reflect earnings before interest, tax, depreciation and amortisation (EBITDA) and profit before tax (PBT) adjusted for the share based payments charge and excluding exceptional IPO costs. A full reconciliation is provided on page 15

Financial highlights

Gross profit

2018	£28 347
2017	£24 288
2016	£21 615

EBITDA*

2018	£7 890
2017	£6 010
2016	£4 733

Profit before tax*

2018	£6 473
2017	£4 053
2016	£2 336

Operating profit*

2018	£6 410
2017	£4 553
2016	£3 190

The figures above are underlying in £000's

CONTINUED PROGRESS IN IMPROVING THE PERFORMANCE ACROSS OUR CORE INCOME STREAMS



Andrew Meehan
Non-Executive Chairman



I am delighted to report to the Group's stakeholders on what has been another very good year for the Ramsdens business. This is the Group's first full financial year as a public company and we have continued to make great progress in improving the performance across our core income streams.



Revenue increased by 16% to

£39.9m

FY17 £34.5m

Underlying profit before tax*

£6.5m

FY17 £4.0m

* underlying PBT is adjusted for share based payments charge and excluding exceptional IPO cost

Ramsdens has a strong and trusted brand, a diversified product offering and a loyal and growing customer base. This has enabled the Group to deliver strong growth in profit before tax, significantly ahead of the Board's initial expectations for the year. We are very pleased with this result, which reflects the growing appeal and awareness of the Ramsdens offering.

OUR BUSINESS

Ramsdens is a growing and diversified financial services provider and retailer. The Group operates in the four core business segments of foreign currency exchange, pawnbroking loans, precious metals buying and selling and retailing of second hand and new jewellery. During the last financial year, the Group served more than 800,000 customers across its different services.



The business is headquartered in Middlesbrough and has a proud heritage. The first Ramsdens store opened in Stockton-on-Tees in May 1987. In addition to our recognised and trusted brand, we have a well-invested store estate. As at the year end, the Group operated from 131 stores (including 4 franchised stores) within the UK (FY17: 127 stores including 3 franchised stores), supported by a growing online presence.

In a market where trust is critical, Ramsdens is an increasingly recognised brand in each of our four key business segments and our continued investment in marketing, store appearance and store location remain key factors in supporting the Group's growth.

FINANCIAL RESULTS & DIVIDEND

Group reported revenue increased by 16% to £39.9m (FY17: £34.5m). This growth was primarily driven by strong performances in foreign currency where the value of foreign currency exchanged grew by 18% to £483m (FY17: £408m), and retail jewellery sales, which increased by 35% to £8.0m (FY17: £5.9m).

We are delighted that the Group delivered an underlying* Profit Before Tax of £6.5m (FY17: £4.0m). This was significantly ahead of the Board's initial expectations for the year. Earnings per share were 16.3 pence (FY17: 7.8 pence)

The Group's financial position remains strong. We have a strong net asset base, good cash generation and positive indicators for growth.

The Board is recommending a final dividend of 4.4 pence per share which, if approved at the shareholders AGM, will take the full year dividend to 6.6 pence per share (FY17: 1.3 pence). Subject to approval at the AGM, the final dividend is expected to be paid on 20 September 2018 to those shareholders on the register as at 24 August 2018.

The Strategic Report and Financial Review that follow provide a more in-depth analysis of the trading performance and financial results of the Group.

OUR TEAM

Central to Ramsdens' continued success is our fantastic team of highly skilled and committed people. I never cease to be amazed by the infectious energy of the people I meet in stores and at head office. I would like to take this opportunity to thank everyone in the Ramsdens team for their continued hard work and dedication during this outstanding year.

THE FUTURE

The FY18 financial year has started well and in line with the Board's expectations.

The macroeconomic environment remains uncertain and the short to medium term headwinds facing UK retailers have been well documented. The overall weakness of sterling continues to benefit the sterling gold price which in turn supports both our pawnbroking and precious metal buying segments.

The Group will continue to execute its clear growth strategy and expand our presence through new store openings whilst also appraising attractive acquisition and consolidation opportunities.

Customer demand for our products across our key business segments remains strong. We have a diversified business, a strong asset base, a loyal and growing customer base, a committed team and a strong brand. These qualities give us confidence to successfully deliver on the Board's clear growth strategy and make further progress in the year ahead.

6 June 2018

Group served over

800,000

CUSTOMERS



Group operated from

131

STORES



ANOTHER YEAR OF STRONG GROWTH



Peter Kenyon

Chief Executive Officer



It is a great pleasure to report another year of strong growth. We are seeing the benefits of the investments made in the Ramsdens brand, staff training, stock levels, presentation of retail jewellery, e-commerce and store relocations come through in the delivery of a strong financial performance. Adjusted* underlying profit before tax of £6.5m represents a 60% increase on the prior year.



We have seen very good growth across the Group with foreign currency commission increasing 26% to £11.3m (FY17 : £9.0m), retail jewellery gross profit rising 24% to £4.1m (FY17: £3.3m) and pawnbroking interest growing by 14% to £7.0m (FY17: £6.1m).

DELIVERING OUR CLEAR GROWTH STRATEGY

The Ramsdens' growth strategy remains unchanged and built on the following pillars:

1 | Continuing to improve the performance of our core estate

2 | Expanding the Ramsdens branch footprint in the UK

3 | Developing our online proposition

4 | Continuing to appraise market opportunities presented by operating in a challenging market

The Board believes that the strong balance sheet and growing positive cash flows underpin the Group's ability to leverage the strength of a recognised high street brand with a diversified offering. The Board is confident that Ramsdens can continue to adapt and prosper, and is focused on delivering strong and ongoing capital and income returns for investors.



*The underlying figure profit before tax above is adjusted for the share based payments charge

During the financial year, we have continued to make good progress against our strategy and mission:

1 Continuing to improve the performance of our core store estate

2 Expanding the branch footprint in the UK

STRATEGIC PILLAR	<p>The Group has a continuous improvement philosophy. This has resulted in initiatives to</p> <ul style="list-style-type: none"> • Increase staff skills, motivation and performance rewards • Increase the foreign currency margin and the average transaction value • Improve retail operations to generate more from the pawnbroking loan book • Increase the retail jewellery stock whilst maintaining close control of stock turnover and discounting older stock lines • Investing in the retail jewellery proposition • Cross selling services across the customer base • Review store capacity and location • Develop the new international money transfer service. <p>By increasing the performance of the existing stores, the Group will improve the return on capital employed.</p>	<p>The Group has the opportunity to infill within existing geographic territories, “ripple out” from existing territories or seek new territories as it has in the past with growing branch estates in Wales and Scotland.</p> <p>Our medium-term strategy remains to grow the estate by 12 stores per annum.</p>
DEVELOPMENTS IN FY 18	<p>During FY18, the Group closed one store, merging it with a nearby store in Middlesbrough.</p> <p>Relocated four stores from suburban or secondary locations to high street locations to reflect the shift from pure pawnbroker to diversified FX and retail operator.</p>	<p>During the year, the Group opened new stores in Workington, Newton Mearns, Braehead and Northallerton. Northallerton was the acquisition and conversion of a jewellers into a Ramdens branch.</p>
KPIs	<p>Group revenue grew by 16% to £39.9m</p> <p>Revenue by business segment</p> <ul style="list-style-type: none"> • Foreign currency £11.3m (only commission is recognised as revenue net of delivery costs and exchange rate movements) • Pawnbroking £7.0m • Purchase of precious metals £10.9m • Retail jewellery sales £8.0m • Other services £2.8m <p>Gross profit was £28.3m</p> <p>Gross profit by segment</p> <ul style="list-style-type: none"> • Foreign currency £11.3m • Pawnbroking £7.0m • Purchase of precious metals £4.4m • Retail jewellery sales £4.1m • Other services £1.6m 	<p>Excluding franchised stores, the Group operated from 127 stores at the year-end</p>

3 Developing our online proposition

4 Continuing to appraise market opportunities presented by operating in a challenging market

STRATEGIC PILLAR	<p>Investment has been made in developing the www.ramsdensjewellery.co.uk website which is a transactional website focused on jewellery retail only.</p> <p>Investment has also been made in selling jewellery on eBay.</p> <p>The website www.ramsdensforcash.co.uk has been adjusted to have greater focus on foreign currency exchange.</p> <p>The above investments are the start of a journey to improve the online proposition from Ramsdens in order for the business to become multi-channel.</p>	<p>The pawnbroking market was more stable in 2017 than it had been in previous years following significant regulatory changes imposed on pay day lenders. Banks and travel agents are closing locations which results in customers seeking new local providers for travel money.</p> <p>Retail jewellery trading is challenging with some independent jewellers closing.</p>
DEVELOPMENTS IN FY18	<p>The ecommerce retail 'branch' was the best performing gross retail jewellery sales branch in FY18.</p> <p>The development of the online retail jewellery proposition has also assisted visibility of stock across the branch network allowing branches to sell stock not in their store and thereby increase branch sales.</p>	<p>During the year, the Group has considered various small pawnbroking acquisition opportunities but did not acquire any. The fact that businesses are being offered for sale and / or simply closing reinforces our belief that pawnbroking competition will continue to fall.</p>
KPIs	<p>E-commerce jewellery sales grew by 242%</p> <p>Click and Collect foreign currency exchanged grew by 117%</p>	<p>Over 800,000 customers used Ramsdens in FY18. By segment:</p> <ul style="list-style-type: none"> • Foreign Currency 687,000 • Pawnbroking 34,000 • Purchase of precious metals 67,000



“ At the heart of our growth strategy is a continuous improvement ethos. This can only be imbedded across a business by the people within it sharing a common mission, having a willingness to develop, being motivated to work hard and maintaining a focus on the customer.

”

Ramsdens team - Braehead branch

OUR PEOPLE

Our people are well trained and highly skilled which allows the business to devolve decision making to staff close to the customer. This empowerment helps Ramsdens' people to better engage with, and be part of, the local community, which is a key contributor to the Group's strong customer relationships, high repeat business, growing customer base and growing product penetration across services. It is notable that the main source of customer acquisition remains customer recommendation.

I would therefore like to take this opportunity to thank each of my colleagues across the business for their contribution, dedication and effort during this outstanding year.

THE RAMSDENS BRAND

During the year, the Group continued to invest in sports sponsorship and TV advertising. This continues to contribute to growing awareness of, and further establishing, the Ramsdens brand.

From next season, Ramsdens will no longer be the main shirt sponsor of Middlesbrough FC but will remain involved as

their currency partner and the Ramsdens name will appear on the reverse of the shirt. The Group has a number of other marketing opportunities that it is exploring to continue expanding the brand's awareness, increase customer recognition and support the Group's growth.

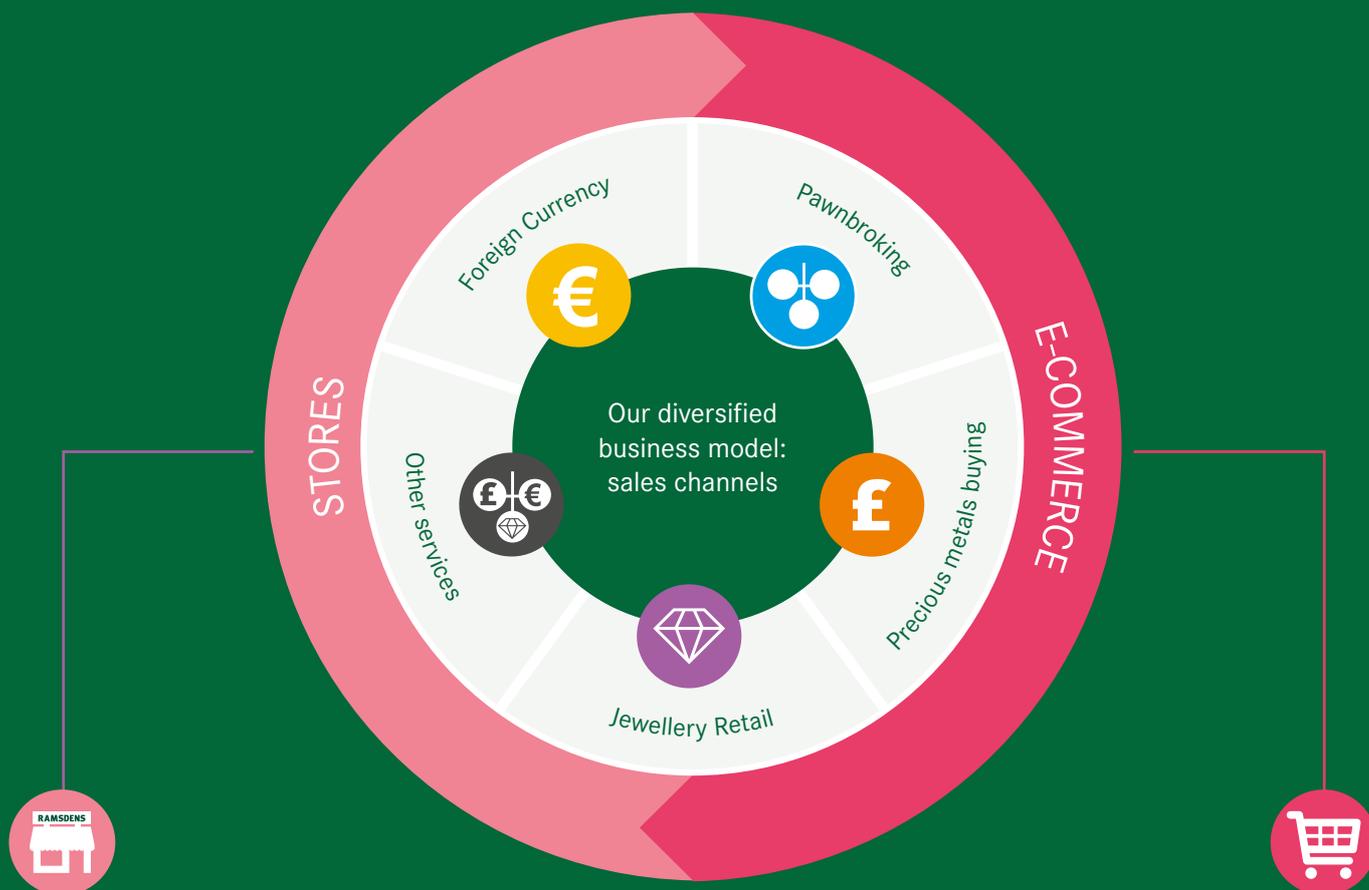
The high repeat customer base for foreign currency exchange and pawnbroking loans demonstrates the trust customers have in Ramsdens to provide a great price for their foreign currency and to look after their jewellery whilst in pledge.

IT AND INFRASTRUCTURE

During the first half of the year, we had an unauthorised access to our IT system which did not impact any day to day operations nor result in any confirmed data loss. We reviewed our IT infrastructure and further invested in our IT hardware, software and team to improve security and support our long-term growth plans.

During the year, the Group has also focused on preparing for GDPR which came into effect on 25 May 2018. I am pleased that the Group has demonstrated its agility and flexibility to fully prepare for the new legislation ahead of its introduction.

The Group has a loyal and growing customer base. Our well invested and established store estate served more than 800,000 registered customers in our last financial year.



The Group has a diverse portfolio of 131 stores (including four franchised outlets). The Group has a regular programme of maintenance that ensures Ramsdens' stores are in good order. The growth strategy is to locate stores in higher footfall locations representing the shift from 'pure pawnbroker' to a diversified retailer. One of the new stores to open was in Braehead, an Intu owned shopping centre near Glasgow. This store has lifted the brand's appearance and awareness. New stores were also opened in Newton Mearns, Workington and Northallerton. All stores are situated in the main shopping areas. In addition, two suburban stores were merged in Middlesbrough and four other stores relocated to higher footfall locations, namely, Scunthorpe, Hamilton, Lancaster and Stockton. Stockton was relocated to the town centre shopping centre after 30 years in the same location having been the original Ramsdens Pawnbrokers store. The Group has a strong pipeline moving into the current financial year and is committed to approximately 12 store openings per annum over the medium term.

The Group's primary trading website is www.ramsdensforcash.co.uk which focuses on foreign exchange services and allows customers to buy, on a click and collect basis, pre-paid travel cards or exchange currency. In addition, the website acts as a portal to the international money transfer service where payments can be made online. The home delivery service trial was stopped during FY18.

The Group's second e-commerce site, www.ramsdensjewellery.co.uk, was launched in September 2016 and is focused on selling new and second-hand jewellery.

Both sites are user friendly and operate on mobile and tablet devices.

OUR DIVERSIFIED BUSINESS MODEL: PRODUCT OFFERING

Ramsdens operates in the four core business segments of: foreign currency exchange; pawnbroking loans; precious metals buying; and jewellery retail.



Foreign Currency Exchange

The foreign currency exchange segment primarily comprises of the sale and purchase of foreign currency notes to holiday makers. Ramsdens also offers prepaid travel cards and international bank to bank payments.

In FY18, Ramsdens served almost 687,000 foreign currency exchange customers and continues to enjoy a high rate of repeat customers with customer recommendation remaining the biggest source of new customers. We estimate that we have an average 12% market share in foreign exchange in the towns where we operate with the opportunity to continue grow this share.

The foreign currency exchange service is the largest segment of the business at 40% of total gross profit (FY17: 37%). The volume of foreign currency notes sold or purchased, including travel card “loads” and “top ups” grew by 18% to £483m (FY17: £408m) and, with a focus on margin pricing, the commission generated increased by 26% to £11.3m (FY17: £9.0m).

Improvements to the currency website proposition (www.ramsdenscurrency.co.uk and www.ramsdensforcash.co.uk) has led to an increase in click and collect volumes of 117% to £20.8m (FY17: £9.6m).

It should be noted that in FY18 the Group benefited from two pre Easter holiday periods whereas there will not be one in FY19 due to the late Easter in 2019.

FX customers

687,000

FX commission

£11.3m



Pawnbroking

Pawnbroking is a small subset of the consumer credit market in the UK and a simple form of asset backed lending where an item of value, known as a pledge (in Ramsdens' case, jewellery and watches), is given to the pawnbroker in exchange for a cash loan. Customers who repay the capital sum borrowed plus interest receive their pledged item back. If a customer fails to repay the loan, the pawnbroker sells the pledged item to repay the amount borrowed plus interest and selling expenses. Pawnbroking is regulated by the FCA in the UK and Ramsdens is fully FCA authorised.

Pawnbroking income has provided recurring and stable revenues for the Group in recent years and represents 25% of total gross profit (FY17: 25%).

The improvements in the retail activities of the Group has enabled the Group to offer customers higher loan amounts relative to the value of the pledged jewellery. This has led to an increased loan book. The quality of the loan book has been maintained with redemption percentages in line with previous years and the expired portion of the book well controlled.

The capital value of the pawnbroking loan book increased from £6.0m to £6.4m, an increase of 8%. Interest income, which includes the ultimate realisation of jewellery sold or scrapped from forfeited pledges, increased by 14% to £7.0m (FY17: £6.1m) and represented a 112% yield on the average loan book during the year.

Loan book

£6.4m

Interest income

£7.0m



Purchases of precious metals

Through its precious metals buying and selling service, Ramsdens buys unwanted jewellery, gold and other precious metals from customers for cash. Typically, a customer brings unwanted jewellery into a Ramsdens store and a price is agreed with the customer depending upon the retail potential, weight or carat of the jewellery.

Ramsdens has various second-hand dealer licences and other permissions and adheres to the Police approved "gold standard" for buying precious metals.

Once jewellery has been bought from the customer, the Group's dedicated jewellery department decides whether or not to retail the item through the store network or online. Income derived from jewellery which is purchased and then retailed is reflected in jewellery retail income and profits. The items not retailed are sold to a bullion dealer for their intrinsic value and the proceeds are reflected in the accounts as precious metals buying income.

The sterling gold price remained steady throughout FY18 which was ahead of the Board's budgeted expectations. The weight of gold purchased was flat and profits were broadly flat at £4.4m (FY17: £4.3m – actual year on year difference £20k), representing 15% of total gross profit (FY17: 18%).

The Group has continued its strategy to increase jewellery retail stock levels to assist jewellery sales.

Revenue

£10.9m

Gross profit

£4.4m



Jewellery retail

Ramsdens offers a value for money proposition in new and second-hand jewellery, and the Board believes there is significant growth potential for Ramsdens in this segment by leveraging its retail store estate, its e-commerce operations as well as by cross-selling to customers of other services.

Jewellery retail revenue increased by 35% to £8.0m (FY17: £5.9m) and gross profit increased by 24% to £4.1m (FY17: £3.3m). The gross margin fell from 56% to 52%. This was a result of a combination of: increased investment in high quality watches which are high ticket but low margin sales; more new stock which is at lower margin than refurbished jewellery bought from customers; and general discounting to sell older and slower moving stock.

Jewellery retail now represents 15% of the Group's total gross profit (FY17: 14%).

Revenue increase

35%

Gross profit

£4.1m



Other services

In addition to the four core business segments, the Group also provides additional services in Cheque Cashing, Western Union money transfer, Sale and buy back of Electronics, Franchise Fees and Credit Broking.

Revenue from these services in FY18 was £2.8m (FY17: £2.7m) resulting in £1.6m of gross profit (FY17: £1.5m). This represented 5% of the Group's total gross profit (FY17: 6%).

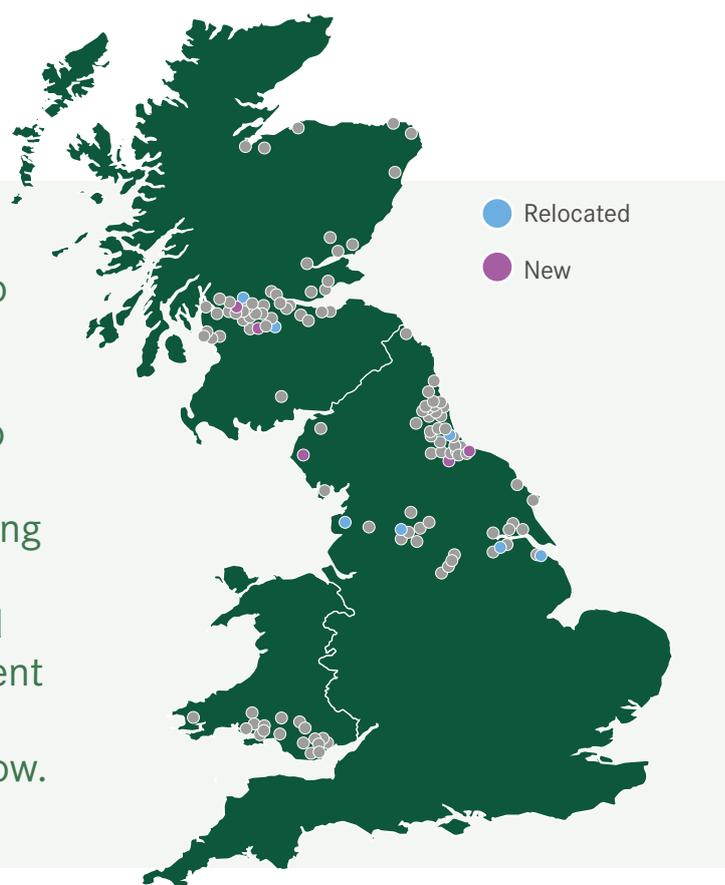
Gross profit

£1.6m

LOOKING AHEAD

We have a strong platform on which to continue to build. The determination of my colleagues to be successful at what they do and their commitment to our loyal and growing customer base alongside the strengths of our improving retail proposition, well invested stores and IT infrastructure all give the Board confidence for the future. I am confident in Ramsdens' ability to deliver on our strategic objective and continue to grow.

6 June 2018

**HIGHLANDS**

Aberdeen
Elgin
Fraserburgh
Inverness
Peterhead

WEST SCOTLAND

Glasgow Argyle Street
Ayr
Clydebank
Dumbarton
Greenock
Irvine
Kilmarnock
Paisley
Partick
Glasgow Queens Park
Saltcoats
The Forge
Newton Mearns (2018)
Braehead (2018)

EAST SCOTLAND

Arbroath
Bathgate
Dalkeith
Edinburgh Dalry Road
Edinburgh Duke Street
Dundee
Dunfermline
Falkirk
Glenrothes
Grangemouth
Kirkcaldy
Livingston
Musselburgh
Perth
Stirling

CENTRAL SCOTLAND

Airdrie
Bellshill
Coatbridge
Cumbernauld
Dumfries
East Kilbride
Hamilton (2017)
Kirkintilloch
Motherwell
Rutherglen
Springburn
Wishaw

WEST WALES

Aberdare
Bridgend
Carmarthen
Ebbw Vale
Haverfordwest
Llanelli
Merthyr
Morrison
Neath
Port Talbot
Swansea

EAST WALES

Cardiff Albany Road
Barry
Blackwood
Caerphilly
Cardiff Cowbridge Road
Cwmbran
Llanrumney
Newport
Pontypridd

NORTH ENGLAND

Ashington
Benwell
Berwick
Blyth
Byker
Cramlington
Gateshead
Jarrow
Killingworth
Newcastle
North Shields
Wallsend
Whitley Bay

NORTH EAST ENGLAND

Billingham
Bridlington
Coulby Newham
Eston
Middlesbrough Gilkes Street
Middlesbrough Hill Street
Middlesbrough Linthorpe
Northallerton (2018)
Redcar
Scarborough
Stockton (2017)
Thornaby
York

NORTH WEST ENGLAND

Barrow
Bradford
Carlisle
Halifax
Huddersfield
Keighley
Kirkgate
Morley
Workington (2017)
Lancaster (2018)

NORTH CENTRAL ENGLAND

Bishop Auckland
Sunderland The Bridges
Chester le Street
Sunderland Chester Road
Consett
Darlington
Durham
Hartlepool
South Shields King Street
Newton Aycliffe
Peterlee
South Shields Prince Edward Road
Southwick
Washington

SOUTH YORKSHIRE

Chesterfield
Doncaster
Goole
Grimsby
Hull Hessle Road
Hillsborough
Hull Holderness Road
Lincoln
Rotherham
Sheffield Moor
Scunthorpe (2017)

FRANCHISE STORES

Bury
Harehills - Leeds
Whitby
Whitby (opened 2017)

ANOTHER YEAR OF STRONG GROWTH



Martin Clyburn

Chief Financial Officer



Gross profit was £28.3m for the year ended 31 March 2018, an increase of 17% on the prior year (FY17: £24.3m) driven by growth in all four core segments.



FINANCIAL RESULTS

The Group's administrative expenses increased by 11% to £21.9m (FY17: £19.7m). This increase primarily reflects an increase in staff costs to support the growth of the business and costs associated with being a PLC.

Finance costs have reduced by 71% to £0.2m (FY17: £0.6m) reflecting the repayment of shareholder loan notes upon IPO in February 2017.

Profit before tax increased 115% to £6.3m (FY17: £2.9m).

To provide a meaningful comparison to the prior financial period and for future reporting periods, share based payments and exceptional expenses which consist of IPO related costs in FY17 have been removed to give the following underlying results.

The underlying profit before tax was £6.5m an increase of 60% on the prior year of £4.1m.

The underlying EBITDA increased by 31% to £7.9m from £6.0m in the prior year.



A reconciliation between the Underlying and Statutory results is provided below.

£000's	FY18	FY17
Statutory profit before tax	£6,312	£2,936
Share based payments	£161	£7
Exceptional items	-	£1,110
Underlying profit before tax	£6,473	£4,053
Finance costs	£177	£614
Gain on fair value of derivative liability	(£79)	(£107)
Depreciation, amortisation and loss on disposal	£1,319	£1,450
Underlying EBITDA	£7,890	£6,010

EARNINGS PER SHARE AND DIVIDEND

The statutory basic and diluted earnings per share for the year is 16.3p and 16.0p respectively up from 7.8p and 7.6p in the previous year.

To aid comparison, prior year EPS, using the closing number of shares and the profit after tax adjusted for exceptional IPO costs, was 10.1p.

The Board is recommending a final dividend of 4.4 pence per share in respect of FY18 (FY17: 1.3 pence per share). This brings the total dividend for FY18 to 6.6 pence per share (FY17: 1.3 pence per share). Subject to approval at the AGM, the final dividend is expected to be paid on 20 September 2018 to those on the register as at 24 August 2018.

This dividend is in line with the Board's progressive dividend policy reflecting the cash flow generation and earnings potential of the Group. On the basis that there are sufficient distributable reserves available at the time, the Board intends to continue to pay an interim dividend in February and a final dividend in September in the approximate proportion of one third and two thirds respectively.

CASH FLOW AND CASH POSITION

The net cash flow from operating activities was £5.6m. This is after growing trade and other receivables by £1.3m (principally the Pawnbroking loan book) and increasing our

inventory levels by £2.2m (jewellery stock to facilitate higher jewellery sales and stock for new branches) offset by an increase in trade and others payables of £2.4m.

£2.0m of the £7.0m revolving credit facility from Yorkshire Bank was drawn (£1.9m net of borrowing costs) as at 31 March 2018 (FY17: £2.5m drawn, £2.3m net of borrowing costs).

The overall increase in cash and cash equivalents was £2.7m bringing the total to £14.6m (FY17: £11.9m). This, together with an additional £5.0m being available to draw down from the revolving credit facility provides the Group with substantial funds to deliver its current stated strategy.

CAPITAL EXPENDITURE

During the financial year, the Group acquired a jeweller's and paid a goodwill premium of £80,000. The Group invested £1.2m opening four new stores, relocating four existing stores and in other leasehold improvements, fixtures and fittings and IT equipment.

TAXATION

The tax charge for the year was £1.3m (FY17: £0.9m) at an effective rate of 20.2% (FY17: 31.5%). The effective rate is higher than the standard UK rate of corporation tax of 19% (FY17: 20%) due to non-deductible expenses (notably IPO exceptional expenses in FY17) and the timing difference between depreciation charges and capital allowances. A full reconciliation of the tax charge is shown in note 10 of the financial statements.

SHARE BASED PAYMENTS

The share based payment expense in the period was £161,000 (FY17: £7,000). This charge relates to the Long Term Incentive Plan (LTIP) which is a discretionary share incentive scheme under which the Remuneration Committee can grant options to purchase ordinary shares at a nominal 1p per share cost to Executive Directors and other senior management subject to certain performance and vesting conditions. The LTIP commenced with an initial grant in March 2017, further details of which are given in note 25 of the financial statements.

6 June 2018

PRINCIPAL RISKS AND UNCERTAINTIES

The Corporate Governance Report includes an overview of the Company's approach to risk management and internal control systems and processes.

Set out below are the principal risks and uncertainties that the Directors consider could impact the business. The Board continually reviews the potential risks facing the Group and the controls in place to mitigate those risks and any potential adverse impacts.

The Board recognises that the nature and scope of risks can change and that there may be other risks to which the Group is exposed. The list is not intended to be exhaustive and excludes potential risks that the Board currently assess as not being material.

Risk and Impact	Mitigating Factors
<p>Economic Risk</p> <p>The significant majority of the Group's revenue is generated in the UK to UK customers. A deterioration in the UK economy may adversely affect consumer confidence to travel abroad or buy luxury items.</p> <p>The expected exit of the UK from the European Union has created uncertainty on what any trade deal would be going forward and its economic impact on the UK. There are various recessionary impact analysis reports as a consequence of Brexit with a wide variety of outcomes dependent upon political bias.</p> <p>Risks could be wide ranging from general economic downturn to something more specific e.g. restrictions on travelling to/from the UK.</p>	<p>The Group mitigates this risk by having diversified income streams which are to some extent counter cyclical and assist in reducing the impact of a recession.</p> <p>Where possible the Group has flexible property lease arrangements being the biggest fixed cost after staff.</p>
<p>Regulatory</p> <p>The risks are that the business may lose its regulatory approvals, breach other regulations or there are changes in regulation which impact the Group's ability to trade, increase administration costs or result in financial penalties.</p> <p>The Group must be FCA authorised to offer its pawnbroking and credit broking services and is a registered Money Service Business (MSB) with HMRC for foreign currency exchange and cheque cashing.</p>	<p>The Group has an experienced Board. The Directors receive legal advice from advisers and through various memberships of trade associations the Board are always made aware of regulatory changes.</p> <p>The Group has well developed IT systems, operational controls, comprehensive training and a rigorous compliance monitoring program in order to maintain adherence to legislation.</p>

IT Security

The risk is that a malicious attack causes a data breach or the IT system to fail and lead to business interruption and reputational damage.

The Group has a significant reliance on the stability and security of its IT system including to track inventory, record and process transactions, summarise results and manage its business. All aspects of the operation of the business, both customer facing as well as internal management, regulation and control is reliant on the IT and software systems of the Group.

There have been an increasing number of well published cyber attacks including that against Ramsdens.

Following our cyber incident during the year, policies and procedures were amended. There was an increase in the number of access protocols, all data held was reviewed and greater encryption employed and where possible data was “air gapped” and stored where remote access is not possible.

The Group has a comprehensive business continuity plan to minimize the impact to the business should the IT systems fail. This continues to be tested regularly as is data restoration from daily data back ups.

The Group continues to undertake annual penetration testing to test the infrastructure and data security.

The internal IT team continues to assess daily any vulnerability to potential cyber threats and uses anti-virus software to protect the systems integrity.

The Group has cyber insurance appropriate to its risk profile.

Reputation

The risk is that adverse publicity, or customer comment through social media will have an adverse material impact on its brand and customers using the stores and websites.

The Group’s financial performance is influenced by the image, perception and recognition of the Ramsdens brand. Many factors such as the image of its stores, its communication activities including marketing, public relation, sponsorship, commercial partnerships and its general corporate and market profile all contribute to maintain the reputation of a brand you can trust. The Group is also well aware that customer recommendations are critical to growing the business and that poor service will be detrimental to that objective.

The Group invests heavily in its staff development and measurement of customer service, through customer surveys, mystery shops using video and internal audits.

Complaints are reviewed with a root cause analysis approach so that processes and policies are changed if required.

Exchange Rate Risk

Whilst the Group trades exclusively in the UK, the foreign exchange cash held in store is exposed to the risks of currency fluctuations. The value is mainly in Euro and US\$ stocks.

There is the daily risk of buying today, receiving the currency the next day, and subsequently selling it and being susceptible to movements in the exchange rate.

There is a period end risk for the FX stock which remains in the branch tills.

The Group uses a mix of monthly and weekly derivative financial instruments to hedge against adverse exchange rate movements in its two key currencies, Euros and US dollars.

The policy has been developed over time in conjunction with our hedging suppliers and reviewed by Manchester Business School.

PRINCIPAL RISKS AND UNCERTAINTIES continued

Gold Price

The Group is sensitive to movements in gold prices and the prices of other precious metals.

A fall in the price of gold and silver and other precious metals may reduce the value of the Group's assets and adversely affect liquidity.

A significant and sustained decline in the price of gold would adversely affect the value of jewellery pledged as collateral by pawnbroking customers and the stock held by the Group. This may also affect volume of jewellery sales and default rates on pawnbroking loans.

Liquidity and forecasting risk

The risk is that the Group runs out of cash, this could be as a result of non performance reducing profitability and cash generation, expanding too fast, or poor budgetary planning.

There is the risk the bank or merchant card supplier becomes insolvent and we no longer have access to our credit funds or our card takings.

A reduction in cash for investment will have a significant impact on the Group's ability to deliver its strategy of opening new stores.

Credit Risk Assessment

There is a risk that the staff assessment of the articles pawned are overvalued increasing credit risk. The Group is wholly reliant on the article pledged should a customer default.

Financial crime

The Group is at risk to crime internally and externally.

This could expose the Group to financial losses as a result of the loss of assets, reimbursement of customers or other business partners, or due to fines or other regulatory sanctions, which could also significantly damage the Group's reputation.

The Group forecasts using sensitised gold prices.

The Group has the flexibility to amend its lending and buying parameters at short notice. It also has a greater focus on the retail of jewellery as the disposition route rather than obtaining the intrinsic value of the precious metal held as security or purchased.

The Group could use derivative financial instruments to hedge against adverse gold price movements.

The Group has a strong balance sheet with a healthy cash position supported by a medium term revolving credit finance facility from Clydesdale Bank trading as Yorkshire Bank.

The Group currently has credit bank balances held with Barclays Bank and Clydesdale Bank trading as Yorkshire Bank. The Group currently uses Barclaycard to process its merchant transactions.

The Group uses a bespoke financial modelling tool to help predict future cash flows to ensure it has sufficient cash resources.

The Group has invested in training programs and IT systems to help the customer facing store staff to accurately value customer assets. The store staff are supported by experienced and skilled Area Managers and product experts.

Should loans not be repaid the Group can rely on the intrinsic value of the stones and metal pledged but can maximise returns by focusing on, and improving, its jewellery retail operations.

It should be noted the risk is spread over approximately 34,000 customers and the average pawnbroking loan is £218.

The Group mitigates this risk by having a robust IT system, an independent internal audit department which randomly audits branches and head office departments at least twice per annum and an active centralized compliance and risk function looking for abnormal patterns in transactions. Processes, systems and controls are continually being developed and have been updated in the year.

The Group has high levels of physical security and sophisticated alarm systems for its stores and head office.

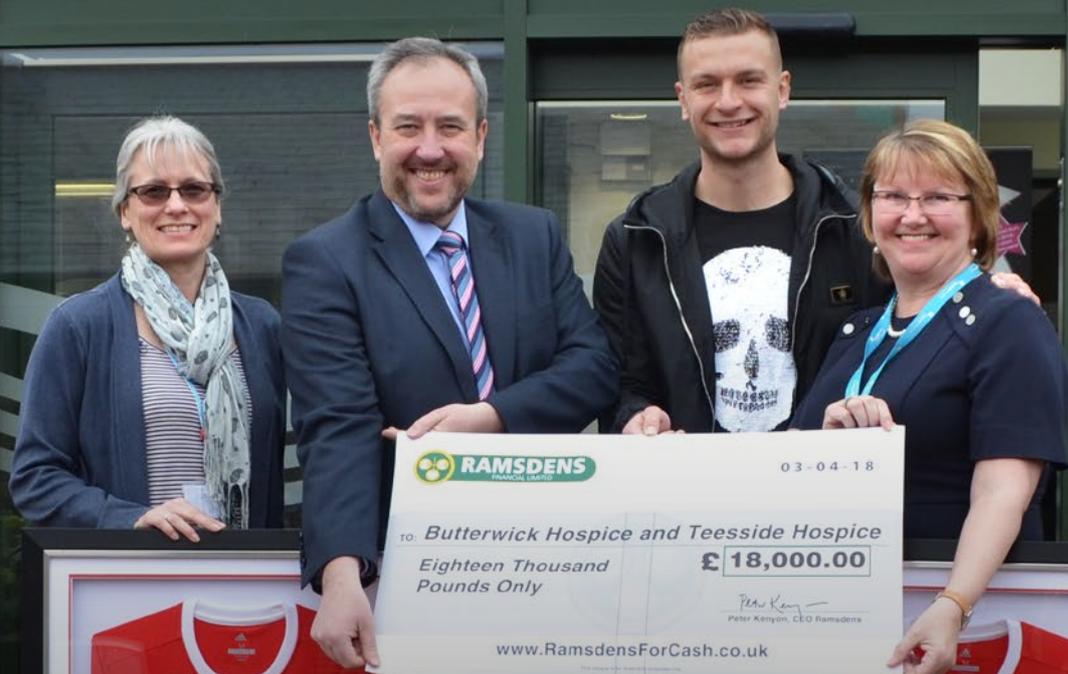
The Group retains all customer data behind two firewalls and utilises data encryption.

The Group maintains business insurance for material losses.

CORPORATE SOCIAL RESPONSIBILITY

**IT IS OUR PEOPLE THAT MAKE THE SUCCESS
OF RAMSDENS POSSIBLE**

Teesside Hospice



“ We are very grateful for the opportunity given to us by Ramsdens to raise awareness of our vital work in the local community. Support from businesses like Ramsdens and Middlesbrough FC ensures that we can continue this work.

”

Maureen Thompson, Chief Executive
at Teesside Hospice



Peter Kenyon
Chief Executive Officer

PEOPLE

The pursuit to do things better is only possible because of the hard work, dedication and enthusiasm of the people within the business. In return we are committed to create a working environment in which they can grow and develop, be well rewarded and well respected for what they contribute.

The Group is committed to supporting the people within the business by facilitating their development through comprehensive training programmes from a week long classroom based induction into the business, instore mentoring supported by elearning and area face to face training sessions, having one to one development discussions with all staff through to a Senior Management Leadership program for the top 30 people influencers in the business.

We believe in appointing the best person based purely on merit to any role within the business and where possible promoting from within. The two Regional Managers, four of the nine Area Managers and four of the six Internal Auditors and over 50% of the Branch managers were promoted from within the business.

The Group has a philosophy of wanting to share the financial success of the business with staff. In addition to basic remuneration of pay and pension, each member of staff in head office or branch has the ability to earn a performance related bonus. The Group has introduced health insurance for its senior management team and will extend the participation in its second LTIP scheme. All staff benefited from their birthday being an additional day's holiday in our last financial year and will do so again in the current financial year.

Staff engagement is important to the Board. The Group operates a staff suggestion scheme and a department feedback scheme. Both are well supported as our people contribute to how we can continue to evolve and improve our products or processes. A centrally issued weekly newsletter keeps all staff informed on Group matters.

ENVIRONMENTAL AND COMMUNITY INITIATIVES

The Group continues to invest in varying recycling and energy savings initiatives such as LED lighting and with its foreign currency exchange service, providing customers their currency in a clear plastic bag which is the exact size to meet the airline requirements for carrying liquids on board in hand luggage.

The Group has sought assurance from its suppliers that they have no modern slavery practices within its supply chains. The Group's statement on its compliance with the Act is included on our websites.

The Group is committed to engaging with its local communities and has assisted in a variety of fundraising initiative's raising money for both national and local charities. The biggest event saw Ramsdens donate their advertising assets at Middlesbrough Football Club to two Teesside charities for a league game against Reading in February.

The names of Teesside Hospice and Butterwick Hospice appeared across the front of Middlesbrough FC player's shirts as well as a text to donate and win scheme appearing on advertising boards, stadium TV screens and LED perimeter advertising. As a direct result of the charity takeover within the stadium, plus profits from the sale of player's shirts on eBay, bucket collections and a Boro Legends Sportsman's Dinner, the charity takeover raised over £18,000.

In addition, through donations of jewellery for raffle prizes and auctions, the Company has also supported MacMillan, Save the Children, Middlesbrough and Teesside Philanthropic Foundation, Finlay Cooper Foundation, Motor Neurone Disease Association and promoted a matched funding scheme for staff taking part in various fundraising initiatives in their local communities around the country.

The strategic report, as set out on pages 4 to 21, has been approved by the board.

By order of the Board

6 June 2018

“

Football is a large part of every community and touches the lives of people of all ages, our hospice services mirror that and having the opportunity to raise awareness of our Charity within the local community is vital to our work.

”

Debbie Jones, Chief Executive
at Butterwick Hospice





CORPORATE GOVERNANCE



**Treat yourself or a loved one
to new or pre-owned jewellery**

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS



Peter Edward Kenyon (53)
Chief Executive Officer

Peter joined Ramsdens in November 2001 as Operations Director and was appointed Chief Executive Officer in January 2008. Peter led the MBO in 2014 and has been responsible for over 25 acquisitions for the Group. He is responsible for overseeing all operations of the business and for deciding the Group's strategy. Prior to joining Ramsdens, Peter's early career was with Yorkshire Bank for 17 years. He is a Council Member the National Pawnbrokers Association and became a director of the Company at the time of the MBO in September 2014.

External appointments – Peter is a director of The National Pawnbrokers Association.



Martin Anthony Clyburn (36)
Chief Finance Officer

Martin joined Ramsdens in 2009 and is a Chartered Accountant having previously qualified with respected North East firm, Keith Robinson & Co. Martin joined the board of the Company as Chief Financial Officer in August 2016. Martin is responsible for the Finance, IT and Compliance & Risk functions within the Group. Martin lectured part time at the University of Teesside from 2006 – 2012. Martin holds a degree in MORSE from Warwick University.

External appointments – none

NON-EXECUTIVE DIRECTORS



Andrew David Meehan (63)
Non-Executive Chairman

Andy is a highly experienced retail executive with over 30 years' experience including CEO and CFO in roles at the Co-Operative Retail Services, Storehouse plc and Sears plc. For the last 10 years he has held a number of chairmanships and non-executive positions in several retail and consumer product businesses including Fortnum and Mason, GHD Group and American Golf. Andy is a Chartered Accountant and holds a degree in Politics and Economics from Oxford University and has been Chairman of the Company since September 2014.

External appointments – Andy is a director of Lanthorne Limited ,Cheviot Court (Luxborough Street) Limited and Chairman of University Hospitals Coventry and Warwickshire NHS Trust and Mayday Trust University Hospitals Coventry and Warwickshire Charity and Mayday Trust University Hospitals Coventry and Warwickshire Charity.



Simon Edward Herrick (54)
Non-Executive Director

Simon joined the board of the Company on 1 January 2017. Simon has significant experience in senior finance roles including positions as CFO of Debenhams plc, Northern Foods PLC, Kesa Electricals plc and PA Consulting Limited. Since leaving Debenhams, Simon has undertaken consultancy work in a number of sectors, most recently as Interim CEO of Blancco Technology Group PLC. Simon is a Chartered Accountant and holds an MBA from Durham University.

External appointments – Simon is a director of 53Herrick Limited, Herrick Inc Limited, Sports Punk Limited, Blancco Technology Group PLC, Blancco -UK Limited, Blancco Trustees Limited, Blancco (Software) Services Limited, Blancco Finance Limited, Blancco Central Services Limited, Blancco APAC PTE Limited, Blancco Japan Limited, Blancco Technology Beijing Co Limited.



Stephen John Smith (60)
Non-Executive Director

Steve joined the board of the Company on 1 January 2017. Stephen retired as CEO of Northgate plc in 2010 after a career with Northgate spanning over 20 years. Since leaving Northgate, Steve has served as a non-executive director on the boards of various family and private equity backed businesses, including four positions as Chairman. Steve is a Chartered Accountant and holds a degree in Economics from the London School of Economics.

External appointments – Steve is a Director and Chairman of Kitwave Ltd, Procomm Site Services Ltd and Nixon Hire Ltd.

CORPORATE GOVERNANCE

Andrew Meehan

Non-Executive Chairman

Chairman's Introduction

The Directors recognise the importance of sound corporate governance. The Company is now a member of the Quoted Companies Alliance (QCA) and is adopting its Corporate Governance Code.

This statement describes how the company applies the principles of good corporate governance in the best interests of all stakeholders in the business.

The Composition of the Board

The board comprises of five directors, three Non-Executive directors who are all considered independent and two Executive directors. The Board has a mix of skills, experience and backgrounds.

How the Board operates

The Board is responsible reviewing, formulating and approving the Group's strategy, budgets and corporate actions and oversee the Group's progress towards its goals. This is formally documented in a schedule of matters reserved for board approval and include:

- Strategy and Business Plans, including annual budget, new stores and acquisitions
- Structure and Capital including dividends
- Financial reporting and controls
- Internal controls on risk management and policies
- Significant contracts and expenditure
- Communication with shareholders
- Remuneration and employment benefits
- Changes to the board composition

Board Meetings

The board has met eleven times in the year above its stated minimum 10 meetings. For all board meetings, an agenda is established and papers circulated in advance so that all Directors can give due consideration to the matters in hand.

The board papers have the following standing items; the matters discussed include:

- Update on all governance legal, health & safety and risk matters
- Financial performance review including cash flow management
- Operating performance against KPIs
- Progress on all strategic aims of the business including new stores and acquisitions
- Proposals on any areas of major expenditure

The Board receives reports from the Executive directors to enable it to be informed of and supervise the matters within its remit. The Board considers at least annually the Group's strategic plan and, on a regular rolling basis, the Board receives presentations from senior managers on key areas of the Group's operations.

The following table shows directors attendance at scheduled board and committee meetings during the year.

	Board	Audit	Remuneration	Nomination
Andy Meehan	11/11	3/3	2/2	2/2
Simon Herrick	11/11	3/3	2/2	2/2
Steve Smith	11/11	3/3	2/2	2/2
Peter Kenyon	11/11			
Martin Clyburn	11/11			

Board decisions and activity during the year

The board has a schedule of regular business, financial and operational matters and each Board Committee has compiled a schedule of work to ensure that all areas for which the Board has responsibility are addressed and reviewed during the course of the year. The Chairman, aided by the Company Secretary, is responsible for ensuring the Directors receive accurate and timely information. The Company Secretary compiles the Board and Committee papers which are circulated to the Directors prior to the meetings. The Company Secretary also ensures that any feedback or suggestions for improvement on Board papers is fed back to management. The Company Secretary provides minutes of each meeting and every Director is aware of the right to have any concerns minuted.

In addition to the board meetings there is regular communication between the Executive and Non-Executive Directors including where appropriate updates on matters requiring attention prior to the next board meeting.

Board Committees

The board has delegated specific responsibilities to the Audit, Remuneration and Nomination Committees. Each Committee has terms of reference setting out its duties, authority and reporting responsibilities. The terms of reference of each Committee are kept under review to ensure they remain appropriate and reflect any changes in legislation, regulation or best practice. Each committee comprises the Non-Executive directors.

CORPORATE GOVERNANCE continued

Board effectiveness

The skills and experience of the Board are set out in their biographical details on page 24. The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and scrutinise performance.

Each of the Non Executive Directors has spent time in stores and head office speaking with employees for an informal view of the business from the ground up.

The Chairman led specific discussions on the effectiveness of the Board, each member's contribution and how the Board can develop its effectiveness. No major changes to the function and focus of the Board arose from this evaluation, however, the findings will be used as the basis of future discussions by the Board, and the Nomination Committee, when considering short and long term succession planning. The Chairman will continue to meet regularly with the Non-Executive Directors without the Executive Directors being present.

There are no plans to change the Board composition at this time.

Time Commitments

The Board is satisfied that the Chairman and each of the Non-Executive and Executive Directors continue to be able to devote sufficient time to the Company's business.

Development

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Group's advisers where appropriate. Executive Directors are subject to the Groups performance review process through which their performance against objectives is reviewed and their personal and professional development needs considered.

External Appointments

In the appropriate circumstances, the Board may authorise Executive Directors to take non-executive positions in other companies and organisations provided the time commitment does not conflict with the Director's duties to the Company. The appointment to such position is subject to the Boards approval. The Board has authorised Peter Kenyon to be a director of the National Pawnbrokers Association, the trade body for pawnbroking.

Conflicts of Interest

At each meeting, the Board considers Directors' conflicts of interest. The Company's Articles of Association (Articles) provide for the Board to authorise any actual or potential conflicts of interest.

Directors' and Officers' Liability Insurance

The Company has purchased Directors' and Officers' liability insurance as allowed by the Company's Articles.

Election of Directors

The Board has adopted the UK Corporate Governance code's recommendation that all Directors will offer themselves for election at each AGM.

Risk Management and Internal Controls

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group. The principal elements of the Group's internal control system include:

- Day to day management of the activities of the Group by the Executive Directors;
- An organisation structure with defined levels of responsibility including a comprehensive compliance and risk function. The Head of Compliance and Risk maintains a risk register, compliance monitoring program and reports to the Executive Directors at least monthly and to the Board at least twice per year;
- A detailed annual budget is prepared including profit and loss, balance sheet and cash flow. The budget is approved by the Board;
- Detailed monthly reporting of performance against budget; and
- Central control over key areas of capital expenditure, commercial contracts, litigation and treasury.

The Group continues to review its system of internal control to ensure compliance with best practice, whilst also having regard to its size and resources available.

Relations with Shareholders

The Group intends to maintain communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full year preliminary results. Private shareholders are encouraged to attend the AGM at which the Group's activities are considered and questions answered. General information about the Group is available on the Group's website; www.ramsdensplc.com. The Non-Executive Directors are available to discuss any matters stakeholders might wish to raise, and the Chairman and Non-Executive Directors will attend meetings with investors and analysts as required. Investor relations activity and a review of the share register are standing items on the board agenda.

Annual General Meeting (AGM)

The Company's AGM will take place on 18th July 2018. The Annual Report and Accounts and Notice of the AGM will be sent to shareholders at least 20 working days prior to this date.

AUDIT AND RISK COMMITTEE

Simon Herrick

Chair of the Audit and Risk Committee



On behalf of the Board, I am pleased to present the Audit and Risk Committee report for the year to 31 March 2018.



The Audit and Risk Committee is responsible for ensuring that the financial performance of the Group is properly reported and reviewed. Its role includes monitoring the integrity of the financial statements (interim and annual accounts and results announcements), reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the Group's internal controls and risk management systems.

Members of the Audit and Risk Committee

The Committee consists of myself as Chair and my two fellow Non-Executive Directors, Stephen Smith and Andrew Meehan. The Committee has met three times in the period. The Board is satisfied that I, as Chair of the Committee have recent and relevant financial experience. I am a chartered accountant and serving Chief Financial Officer at Blancco Technology Group PLC. I have previously served as Chief Financial Officer at Debenhams plc and Northern Foods PLC. I report to the Board on all issues discussed by the Committee and present the Committee's recommendations. The Committee also meets the external auditors without any Executive directors or senior management present.

Duties of the Committee

The main duties of the Audit and Risk Committee are set out in its terms of reference. The Committee will meet a minimum twice per year.

The main items of business considered by the Committee to date have been:

- Review of the financial statements and Annual Report;
- Consideration of the external audit report and management representation letter;
- Review of the suitability of the external auditor;
- Going concern review; and
- Review of the risk management and internal control systems including the internal compliance and risk function and compliance monitoring program.

Role of the External Auditor

The Audit and Risk Committee monitors the relationship with the external auditor, Ernst & Young LLP, to ensure that auditor independence and objectivity are maintained. As part of its review the Committee monitors the provision of non-audit services by the external auditor and assesses the auditor's performance. Having reviewed the auditor's independence and performance the Audit and Risk Committee recommends that Ernst & Young LLP be re-appointed as the Company's auditor at the next AGM.

Audit process

The auditor prepares an audit plan for the review of the year's financial statements. The audit plan sets out the scope of the audit, areas to be targeted and audit timetable. The plan is reviewed and agreed in advance by the Audit and Risk Committee. Following the audit, the auditor presented its findings to the Audit and Risk Committee for discussion. The Audit and Risk Committee also has discussions with the Auditor, without the management being present, on the adequacy of controls and on any judgemental areas. The Auditor's report can be found on pages 38 to 43.

Internal Audit

The Group has a compliance and risk function which under the direction of the Audit and Risk Committee undertakes asset verification checks of all branch and head office departmental cash, pledge and inventory balances and processes for adherence to policies and procedures. The compliance and risk function meets on a fortnightly basis with at least one Executive Director and the minutes of those meetings are reviewed by the Audit and Risk Committee.

Risk Management and Internal Controls

As described on page 26, the Group has established a framework of risk management and internal control systems, policies and procedures. The Audit and Risk Committee is responsible for reviewing the risk management and internal control framework and ensuring it operates effectively. During the year, and following the cyber incident, the Committee discussed at length how it was possible that unauthorised access had been gained to the IT system and what changes had been made to stop a potential recurrence. The Committee control systems in place are currently operating effectively.

AUDIT AND RISK COMMITTEE continued

Whistleblowing

The Group has in place a whistleblowing policy which sets out the formal process by which an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting and other matters. Whistleblowing is a standing item on the Committee's agenda and updates are provided at each meeting. During the period there were no incidents for consideration.

Anti-Bribery

The Group has in place an anti-bribery and anti-corruption policy which sets out its zero tolerance position and provides information and guidance to those working for the Group on how to recognise and deal with bribery and corruption issues. During the period there were no incidents for consideration.

Going Concern

The Directors have prepared a detailed forecast with a supporting business plan for the foreseeable future. The forecast indicates that the Group will remain in compliance of its banking covenants throughout the forecast period. As such, the Directors have a reasonable expectation that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements.

NOMINATION COMMITTEE

Andrew Meehan

Chair of the
Nominations Committee



On behalf of the Board I am pleased to present the Nomination Committee report for the year ended 31 March 2018.



Members of the Nomination Committee

The Nomination Committee consists of myself and my fellow Non-executive Directors, Simon Herrick and Steve Smith.

Duties of the Nomination Committee

In carrying out its duties, the Nomination Committee is primarily responsible for:

- Identifying and nominating individuals to fill Board vacancies
- Evaluating the structure and composition of the Board with regards the balance of skills, knowledge, experience and making recommendations accordingly
- Drafting the job descriptions of all Board members
- Reviewing the time requirements of the Non-Executive Directors
- Giving full consideration to succession planning
- Reviewing the leadership of the Group

The Committee is scheduled to meet once a year but it will meet more frequently if required. The Committee reports to the Board on how it has discharged its responsibilities in accordance with its terms of reference.

Activity during the year

The Committee discussed the skills, experience and diversity of the current Board and committee members taking into account the current and future needs of the Group, its culture and strategic objectives. The Committee believes that the Board has the necessary balance of skills, knowledge and experience for its current needs. The Committee believes that the Directors are able to devote sufficient time to the Group, taking into account their other Directorships.

The Committee discussed long term succession planning and emergency cover at Board level and of the senior management team. The senior management team is relatively young and the Committee is fully supportive of the Leadership development programme that commenced during the last financial year which will further develop the team and identify potential senior leaders of the future.

The Committee reviewed but made no amendment to its terms of reference with its main objective of ensuring that an appropriate management framework and governance structure remains in place.

REMUNERATION COMMITTEE

Simon Herrick

Chair of the Remuneration
Committee



On behalf of the Board I am pleased to present the Directors' Remuneration Report for the year ending 31 March 2018 (FY18) which sets out the remuneration policy and the remuneration paid to the Directors for the year.



Composition and Role

The Remuneration Committee consists of myself and my fellow Non-Executive Directors, Andy Meehan and Steve Smith. The Committee operates under the Group's agreed terms of reference and is responsible for reviewing all senior executive appointments and determining the Group's policy in respect of terms of employment including remuneration packages of Executive Directors. The remuneration Committee met twice during the year.

Remuneration Policy

Our remuneration policy adopted on AIM is to:

- Include a competitive mix of base salary, pension, annual bonus and long term incentives, with an appropriate proportion of the package determined by stretching targets linked to the Group's performance;
- Promote the long-term success of the Group in line with our strategy; and
- Provide appropriate alignment between the interests of shareholders and executives including minimum shareholdings.

Executive Directors' Service Contracts

The Executive Directors signed new service contracts with the Company on admission to AIM. These are not of fixed duration and terminable by either party giving 12 months written notice.

Non-Executive Directors

The Non-Executive Directors signed letters of appointment with the Company on admission to AIM for the provision of Non-Executive directors' services, which may be terminable on giving three months written notice. The Non-Executive Directors' remuneration is determined by the Board.

Directors Remuneration

The following table summarises the total gross remuneration of the Directors who served during the year to 31 March 2018.

	FY18						FY17
	Basic salary	Bonus	Pension	LTIP	PHI	Total	Total
Executive							
Peter Kenyon	£177,500	£134,000	£15,000	£49,921	£1,105	£377,526	£207,083
Martin Clyburn*	£113,333	£92,400	£9,996	£27,734	£635	£244,098	£68,333
Kevin Brown**							£92,424
Michael Johnson**							£89,677
Non- Executive							
Andy Meehan	£57,504					£57,504	£31,545
Simon Herrick	£42,000					£42,000	£10,500
Steve Smith	£35,000					£35,000	£8,750
Aggregate remuneration	£425,337	£226,400	£24,996	£77,655	£1,740	£756,128	£508,312

*Martin Clyburn's remuneration above relates only to the period after which he became a director of the Company in August 2016.

**Kevin Brown and Michael Johnson resigned as directors of the Company prior to admission to AIM and the above relates to their period as directors of the Company.

As detailed in the Strategic Report and Financial Review, Ramsdens has delivered strong results and made progress against its stated strategic priorities. Based on FY18 underlying PBT of £6.5 million the Executive Directors will receive 77% of their maximum annual bonus opportunity.

The Remuneration Policy for FY19 will operate as follows:

	Total remuneration (Pay and pension)	Private Health Insurance	Bonus
Executive			
Peter Kenyon	£192,500	Yes	Up to 100%
Martin Clyburn	£140,000	Yes	Up to 100%
Non-Executive			
Andy Meehan	£63,254		
Simon Herrick	£46,420		
Steve Smith	£38,500		

The bonus opportunities for the FY19 financial year will be assessed against the Group's profit and against personal performance objectives. The bonus percentage will adjust from zero to a maximum of 100% set against challenging performance targets.

Long Term Incentive Plan

On admission to AIM the Group introduced a Long Term Incentive Plan (LTIP) for the following set against two performance criteria over the financial years from admission to the year ending 31 March 2020 (FY2020).

Fifty percent of the award is based on the total shareholder return (share price movement and the value of dividends) over the period from admission to AIM to 31 March 2020 with no award being made if the return rate is less than 30% over the period. A sliding scale will apply with 100% of the award vesting if 60% growth is achieved over the period.

REMUNERATION COMMITTEE continued

Fifty percent of the award is based on increasing the earnings per share. No award will be made if the earnings per share do not grow by 24% over the three years from FY17 to FY20. A sliding scale will apply with 100% of the award vesting if 45% growth is achieved over the period.

The award is a number of shares which can be bought at their nominal value.

The following Directors and employees are included within the LTIP.

	Number of shares awarded under the LTIP scheme
Peter Kenyon	250,000
Martin Clyburn	138,889
Mike Johnson	138,889
Jason Carr	69,444
Matt Fothergill	69,444
Michael Wilson	69,444
Mark Smith	69,444

In accordance with the strategy of aligning the senior team with the interests of shareholders it is intended that a second LTIP scheme will be awarded within 42 days of the Annual Report being published. It is the intention to increase the number of employees included within the scheme to recognise their contribution in seeking to implement the Group's strategy and achieve improved financial performance. The scheme will follow the principles of the Admission scheme with 50% of any award linked to growing EPS and 50% of any award linked to total shareholder returns over a three year period. Again stretching targets will be set to achieve 100% of the award.

The Directors hold the following notifiable beneficial interests in the ordinary share capital of the Company

	Type of share	Holding as at 31 March 2017	Acquired in the financial year	Sold in the financial year	As at 31 March 2018
Executive					
Peter Kenyon	1p ordinary	1,591,250			1,591,250
Martin Clyburn*	1p ordinary	209,375			209,375
Non-Executive					
Andy Meehan*	1p ordinary	332,320			332,320
Simon Herrick	1p ordinary	19,950			19,950
Steve Smith*	1p ordinary	31,894	22,454		54,348

*held in personal name or in spouse's name.

If you have any comments or questions on anything contained in this Remuneration Report, I will be available at the AGM.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2018.

Principal Activities and Business Review

The principal activities of the Group during the year continue to be; the supply of foreign exchange services, pawnbroking, related financial services, jewellery sales, and the purchase of unwanted gold jewellery from the general public subsequently sold to the bullion market. The results for the year and the financial position of the group are as shown in the annexed financial statements.

A review of the business and its future development is given in the Chairman's and Chief Executive's statements.

Results and Dividends

The results for the year are set out in the consolidated income statement on page 44.

The directors propose a final dividend of 4.4 pence per share subject to the approval at the Annual General Meeting on 18 July 2018.

During the year, the Group paid the final dividend for FY17 of 1.3 pence per share (FY16: nil) and an interim dividend of 2.2 pence per share for the year ended 31 March 2018 (FY17: nil).

Likely Future Development

Our priorities for the following financial year are disclosed in the CEO's Strategic Report on pages 6 to 13.

Substantial Share Holdings

The Company has one class of ordinary share which carry no right to fixed income. Each ordinary share has the right to one vote at general meetings.

As far as the Directors are aware, the only notifiable holdings equal to or in excess of 3% of the issued ordinary share capital at 31 March 2018 were as shown in the table below.

Name of holder	Number	% of voting rights in the issued share capital
Downing	4,516,403	14.65
City Financial	3,211,491	10.41
Hargreave Hale	2,676,815	8.68
Premier Fund Mgt.	2,219,642	7.2
Artemis Investment Mgt.	2,000,000	6.49
Otus Capital Mgt.	1,911,721	6.2

AXA Investment Mgrs.	1,600,000	5.19
Mr Peter Kenyon (CEO)	1,591,250	5.16
Hargreaves Lansdown Asset Managers	1,274,144	4.13
1798 Volantis	936,129	3.04
Interactive Investor	931,251	3.02

Directors and their Interest

The directors who served throughout the year except where otherwise stated and in place at the date of this report are as follows:

Executive

Peter Kenyon

Martin Clyburn

Non-Executive

Andrew Meehan

Stephen Smith

Simon Herrick

Directors' beneficial interests and their remuneration are detailed in the Remuneration Report on pages 31 and 32.

Directors' indemnities

The Directors are entitled to be indemnified by the Company to the extent permitted by law and the Company's articles of association in respect of certain losses arising out of or in connection with the execution of their powers, duties and responsibilities. As permitted by the Companies Act 2006, the Company has also executed deeds of indemnity for the benefit of each Director in respect of liabilities that may attach to them in their capacity as Directors of the Company.

The Company also purchased and maintained Directors' and officers' liability insurance throughout the year.

Going Concern

The Directors confirm that, after having made appropriate enquiries, they have a reasonable expectation that the Group and the Company have adequate resources to continue operations for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in the preparation of the financial statements.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018 continued

Financial Risk Management

Financial risk is managed by the board on an ongoing basis. The principal risks relating to the Group are outlined in more detail on pages 16 to 18 to the consolidated financial statements.

The Group's principal risks and uncertainties are outlined in the strategic report.

Post Balance Sheet Events

There have been no material post balance sheet events.

Annual General Meeting

The Company's AGM will be held on 18 July 2018.

Political Donations

No political contributions were made during the current and prior year.

Disabled Employees

The group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Employee Involvement

The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. The Directors have a policy of providing employees with information about the group to keep them informed. The Group's employment structure facilitates management to engage regularly with staff at all levels thereby allowing a free flow of information and communication of Group policies and alignment of core goals. Employees are encouraged to participate in the performance of the business through varying incentive schemes.

Disclosure of Information to the Auditor

In so far as each person who was a director at the date of approving this report is aware:

- there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Group's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Registered office:

Unit 16
Parkway Shopping Centre
Coulby Newham
Middlesbrough
TS8 0TJ

Signed by order of the directors



Kevin Brown

Company Secretary

Approved by the directors on 6 June 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS regulation. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

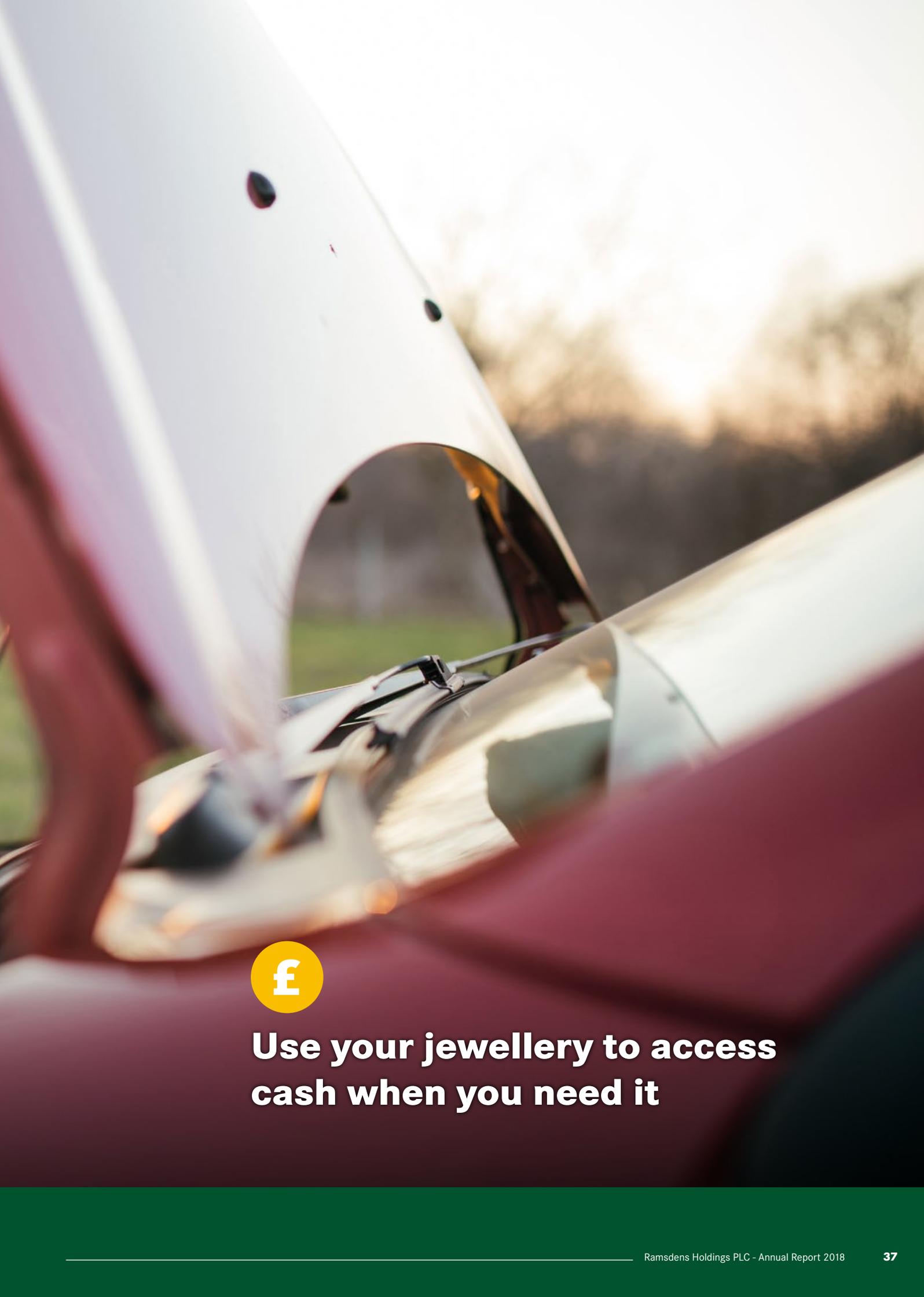
Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors.

The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.



FINANCIAL
STATEMENTS



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMSDENS HOLDINGS PLC

OPINION

In our opinion:

- Ramsdens Holdings PLC's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2018 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Ramsdens Holdings PLC which comprise:

Group	Parent Company
Consolidated statement of financial position as at 31 March 2018	Balance sheet as at 31 March 2018
Consolidated statement of comprehensive income for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of changes in equity for the year then ended	Related notes A to I to the financial statements including a summary of significant accounting policies
Consolidated statement of cash flows for the year then ended	
Related notes 1 to 26 to the financial statements, including a summary of significant accounting policies	

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OVERVIEW OF OUR AUDIT APPROACH

Key audit matters	We have identified the following key audit matters, which were of most significance to our audit. <ul style="list-style-type: none">• Risk of incorrect revenue recognition as a result of fraudulent transactions in branch• Risk of incorrect recognition of revenue and the associated revenue accrual in respect of pawnbroking
Audit scope	<ul style="list-style-type: none">• We performed an audit of the complete financial information of the Group, including Ramsdens Financial Limited and Ramsdens Group Limited.
Materiality	<ul style="list-style-type: none">• Overall group materiality of £0.342m (2017: £0.188m) which represents 5% of Profit before tax (2017: 5%).

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Risk of incorrect revenue recognition as a result of fraudulent transactions at a branch level.</p>	<p>We have met with the Head of Compliance & Risk to obtain an understanding of the procedures performed by both the compliance department and the internal audit function to monitor controls.</p>	<p>No material losses have been incurred during the year as a result of such transactions.</p>
<p><i>Refer to the accounting policies in note 3.16 of the consolidated financial statements (page 56)</i></p>	<p>We have reviewed internal audit reports for those branches identified as having control deficiencies in the year and confirmed that such findings were escalated to those charged with governance on a timely basis.</p>	<p>Whilst our substantive procedures are not designed to detect all fraud which may have occurred in the year, we have not identified any anomalies as a result of our procedures.</p>
<p>At a branch level there is a risk that fraudulent transactions can occur and that these are recorded in the accounts. Branch management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p>	<p>We have reviewed the weekly desktop audit procedures and to understand how exceptions at a transaction level are identified and how these are addressed, including how these are escalated to those charged with governance.</p>	
<p>Individual transactions are generally low value, thus such transactions may go unnoticed without a robust control environment. If transactions occurred at a relatively small percentage of stores, the financial impact could be material. This is a significant area of focus for the year-end audit.</p>	<p>We have discussed the results of specific investigations performed during the year and ensured that any remaining unrecoverable debt has been appropriately provided for at the year-end.</p>	
<p>Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.</p>	<p>We have reviewed the implementation of new controls post year end and confirmed that any exceptions identified under the new procedures have been responded to appropriately.</p>	
	<p>We have performed substantive procedures including a monthly analysis of sales and gross margin, review of p-status deficits in the year and transactional testing to identify any unusual transactions.</p>	
	<p>We have performed extensive testing to validate the existence of cash, physical stock, pawnbroking agreements and the related pledged items.</p>	

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMSDENS HOLDINGS PLC continued

KEY AUDIT MATTERS continued

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Risk of incorrect recognition of revenue and the associated revenue accrual in respect of pawnbroking</p> <p><i>Refer to the accounting policies in note 3.16 and note 4 of the consolidated financial statements (pages 56 and 57)</i></p> <p>Interest receivable on pawnbroking loans is recognised as interest accrues by reference to the percentage of the pawnbroking loans that are estimated to be redeemed and the effective interest rate applicable.</p> <p>The recognition of pawnbroking interest and the provisions held in the accounts are subject to estimates determined by management, notably the expected recoverable amount of the underlying security and the expected level of redemption rate of pawnbroking loans.</p> <p>There is an opportunity for management to change underlying assumptions of the pawnbroking provisions, which could materially impact the level of revenue recognised.</p> <p>In the year to 31 March 2018, pawnbroking interest of £7.0m (2017: £6.1m) was recognised in the accounts.</p> <p>At 31 March 2018 the gross loanbook totalled £10.2m (2017: £8.9m), with related pawnbroking provisions of £0.4m (2017: £0.3m).</p>	<p>We have tested the accuracy and completeness of data used to calculate the provisions.</p> <p>We have challenged the provisioning methodology, with particular focus on changes to assumptions.</p> <p>We identified the year-end actual spot price of 9 carat gold (£11.36) to recalculate the underlying value of security and compared this to management estimates used in provision (2018: £10.85, 2017: £10.41).</p> <p>The same test is performed for silver items.</p> <p>The redemption rate is based upon management best estimate of the number of pawnbroking loans that will be redeemed.</p> <p>We compare the historic actual lifetime redemption rates of loans (2018: 28%, 2017: 27%) to the rates applied in the provision (2018: 28%, 2017: 27%).</p> <p>We have performed sensitivity analysis on the key assumptions, including comparison of rates against actual outcomes, varying values of underlying security, and expected sales price of non-redeemed loans.</p>	<p>From our substantive testing, we have concluded that the inputs to the calculation are clerically accurate.</p> <p>We have concluded that the revenue recorded in the year, and the related provisions on the balance sheet at the year-end date are materially correct.</p>

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the group and effectiveness of group-wide controls, changes in the business environment and other factors when assessing the level of work to be performed at each entity.

We performed an audit of the complete financial information of Ramsdens Holdings PLC and both components, Ramsdens Financial Limited and Ramsdens Group Limited.

We have performed a full scope audit of Ramsdens Financial Limited and tested significant balances to an assigned performance materiality of £0.237m, which is lower than the statutory materiality. We have also performed statutory audit procedures on Ramsdens Group Limited, in accordance with an assigned performance materiality significantly lower than the Group materiality.

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £0.342 million (2017: £0.188 million), which is 5% (2017: 5%) of profit before tax, £6.312m (2017: £3.753m after adding back exceptional costs of £0.817m). We believe that Profit before tax provides us with a consistent year on year basis for determining materiality and is the most relevant performance measure to the stakeholders of the Group.

During the course of our audit, we reassessed initial materiality and have revised this to reflect final results, rather than basing on forecasts.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments and our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2017: 75%) of our planning materiality, namely £0.237m (2017: £0.141m). We have set performance materiality at this percentage which reflects our expectation of the level of audit differences based on the prior year.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.016m (2017: £0.009m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

OTHER INFORMATION

The other information comprises the information included in the annual report set out on pages 1-34, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financials are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 35, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sandra Thompson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle

Date 6 June 2018

NOTES:

1. The maintenance and integrity of the Ramsdens Holdings PLC web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
Revenue	5	39,942	34,516
Cost of sales		(11,595)	(10,228)
Gross profit	5	28,347	24,288
Administrative expenses		(21,937)	(19,735)
Operating profit before exceptional expenses		6,410	4,553
Exceptional expenses	7	-	(1,110)
Operating profit		6,410	3,443
Finance Costs	6	(177)	(614)
Gain on fair value of derivative financial liability	14	79	107
Profit before tax		6,312	2,936
Income tax expense	10	(1,278)	(926)
Profit for the period		5,034	2,010
Other comprehensive income		-	-
Total comprehensive income		5,034	2,010
Earnings per share in pence	8	16.3	7.8
Diluted earnings per share in pence	8	15.9	7.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
Assets			
Non-current assets			
Property, plant and equipment	11	4,302	4,210
Intangible assets	12	429	529
Investments	13	-	-
Deferred tax assets	10	84	-
		4,815	4,739
Current Assets			
Inventories	15	7,567	5,338
Trade and other receivables	16	10,613	9,362
Cash and short term deposits	17	14,619	11,864
		32,799	26,564
Total assets		37,614	31,303
Current liabilities			
Trade and other payables	18	5,793	3,843
Interest bearing loans and borrowings	18	1,883	2,318
Accruals and deferred income	18	1,281	773
Income tax payable	18	633	305
		9,590	7,239
Net current assets		23,209	19,325
Non-current liabilities			
Interest bearing loans and borrowings	19	1	9
Accruals and deferred income	19	300	404
Derivative financial liabilities	19	40	119
Deferred tax liabilities	19	115	137
		456	669
Total liabilities		10,046	7,908
Net assets		27,568	23,395
Equity			
Issued capital	20	308	308
Share premium		4,892	4,892
Retained earnings		22,368	18,195
Total equity		27,568	23,395

The financial statements of Ramsdens Holdings PLC, registered number 8811656, were approved by the directors and authorised for issue on 6 June 2018 and signed on their behalf by:



Martin Clyburn
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share Capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
As at 1 April 2016		247	-	16,181	16,428
Profit for the year		-	-	2,010	2,010
Total comprehensive income		-	-	2,010	2,010
Bonus issue of share capital		3	-	(3)	-
Issue of share capital		58	4,942	-	5,000
Costs associated with issue of share capital		-	(50)	-	(50)
Share based payments	25	-	-	7	7
As at 31 March 2017		308	4,892	18,195	23,395
As at 1 April 2017		308	4,892	18,195	23,395
Profit for the year		-	-	5,034	5,034
Total comprehensive income		-	-	5,034	5,034
Dividends paid	21	-	-	(1,079)	(1,079)
Share based payments	25	-	-	161	161
Deferred tax on share based payments		-	-	57	57
As at 31 March 2018		308	4,892	22,368	27,568

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
Operating activities			
Profit before tax		6,312	2,936
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment	11	1,079	1,047
Amortisation and impairment of intangible assets	12	211	320
Change in derivative financial instruments		(79)	(107)
Loss on disposal of property, plant and equipment		29	83
Exceptional expenses	7	-	1,110
Share based payments		161	7
Finance costs	6	177	614
Exceptional expenses – bonus		-	(172)
Working capital adjustments:			
Movement in trade and other receivables and prepayments		(1,251)	(693)
Movement in inventories		(2,229)	(2,002)
Movement in trade and other payables		2,350	170
		6,760	3,313
Interest paid		(173)	(614)
Income tax paid		(999)	(704)
Net cash flows from operating activities		5,588	1,995
Investing activities			
Proceeds from sale of property, plant and equipment		1	-
Purchase of property, plant and equipment		(1,201)	(451)
Purchase of intangible assets		(111)	(41)
Net cash flows used in investing activities		(1,311)	(492)
Financing Activities			
Dividends paid	21	(1,079)	-
Payment of finance lease liabilities		(8)	(8)
Bank loans drawn down		1,875	2,310
Repayment of bank borrowings		(2,310)	(2,900)
Repayment of loan notes		-	(4,000)
Exceptional expenses – IPO		-	(938)
Proceeds of issue of ordinary shares		-	4,950
Net cash flows used in financing activities		(1,522)	(586)
Net increase in cash and cash equivalents		2,755	917
Cash and cash equivalents at 1 April		11,864	10,947
Cash and cash equivalents at 31 March		14,619	11,864

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Ramsdens Holdings PLC (the “Company”) is a public limited company incorporated and domiciled in England and Wales. The registered office of the Company is Unit 16, Parkway Shopping Centre, Coulby Newham, Middlesbrough, TS8 0TJ. The registered company number is 08811656. A list of the Company’s subsidiaries is presented in note 13.

The principal activities of the Company and its subsidiaries (the “Group”) are the supply of foreign exchange services, pawnbroking and related financial services, jewellery sales, and the purchase of gold jewellery from the general public.

2. CHANGES IN ACCOUNTING POLICIES

Adoption of new and revised standards

In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2017. None of the new or revised standards that have been adopted affected the amounts reported in the financial statements.

Amendments to IAS 7	Disclosure initiative
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to IFRSs: 2014-2016	Amendments to: IFRS 12 Disclosure of Interest in Other Entities

Standards issued but not yet effective

At the date of authorisation of these financial statements the Group had not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance Contracts
Amendments to IFRS 2	Classification and Measurement of Share-Based Payment Transactions
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IAS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 40	Transfer of Investment Property
IFRIC 22	Foreign Currency Transactions and Advanced Consideration
IFRIC 23	Uncertainty over Income Tax Treatments

The Directors have considered the likely impact of the above standards on the financial statements of the Group in future periods. Other than IFRS 16 detailed below, the directors do not consider that the standards will have a material impact on the financial statements in future periods.

During the year the Directors carried out an impact assessment of IFRS 15 Revenue from Contracts with Customers. All income streams were reviewed against the requirements of IFRS 15 and the review concluded that the current accounting policies were compliant with the new standard. Therefore the introduction of IFRS 15 will not impact on the financial statements in future periods.

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

Under IFRS 16 significant changes are introduced to lessee accounting, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets).

2. CHANGES IN ACCOUNTING POLICIES continued

Upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any direct costs incurred by the lessee. Under the cost model, a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. The lease liability is initially measured at the present value of the lease payment payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate.

IFRS 16 will apply for annual reporting periods beginning on or after 1 January 2019. The Group currently expects to adopt IFRS 16 for the year ending 31 March 2020. The Group is currently assessing the impact of accounting changes that will arise under IFRS 16. The changes are expected to have a material impact on the Group Statement of Comprehensive Income and Consolidated Financial Statements. At 31 March 2018 the Group had non-cancellable lease commitments of £10,704,000 as disclosed in note 23. Our assessment indicates these commitments will meet the definition of a lease under IFRS 16 unless they qualify for low value or short-term leases. On adopting IFRS 16, the Group will recognise a right-of-use asset and a related lease liability. In the statement of comprehensive income the lease expense will be replaced with amortisation of the right-of-use asset and a finance charge on the lease liability. The effect on profit will be nil over the life of the lease but may vary throughout the lease term. EBITDA will increase but the charges will have no net cash flow impact.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. The consolidated financial statements are presented in pounds sterling which is the functional currency of the parent and presentational currency of the Group. All values are rounded to the nearest thousand (£000), except when otherwise indicated.

3.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all of its subsidiary undertakings (as detailed above). The financial information of all Group companies is adjusted, where necessary, to ensure the use of consistent accounting policies. In line with IFRS 10, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

3.3 Going Concern

The Directors have made appropriate enquiries and formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Group has adequate resources to continue in business for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

3.4 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred which represents the fair value of the assets transferred and liabilities incurred or assumed. Acquisition related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of the identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the statement of comprehensive income as a gain on bargain purchase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

3. SIGNIFICANT ACCOUNTING POLICIES continued

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of comprehensive income when it is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite and at each date of the statement of financial position no intangible assets are accorded an indefinite life.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Amortisation is calculated over the estimated useful lives of the assets as follows:

- Customer relationships – 40% reducing balance
- Software – 20% straight line

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category consistent with the function of the intangible assets.

3.6 Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses (if any). All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

Depreciation is calculated over the estimated useful lives of the assets as follows:

- Leasehold property – straight line over the lease term
- Fixtures & fittings – 20% & 33% reducing balance
- Computer equipment – 25% & 33% reducing balance
- Motor vehicles – 25% reducing balance

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows 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 the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGUs to which the individual assets are allocated, which is usually taken to be each individual branch store. These budgets and forecast calculations are generally covering a period of ten years.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

3.8 Inventories

Inventories comprise of electronics, retail jewellery and precious metals held to be scrapped and are valued at the lower of cost and net realisable value.

Cost represents the purchase price plus overheads directly related to bringing the inventory to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs to sell.

3.9 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

3. SIGNIFICANT ACCOUNTING POLICIES continued

Financial assets

Initial recognition and measurement

In accordance with IAS 39, 'Financial Instruments: Recognition and Measurement' the Group has classified its financial assets as 'loans and receivables'. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of assets not at fair value through the statement of comprehensive income, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. This category applies to trade and other receivables due from customers in the normal course of business and includes pawnbroking receivables which are interest bearing. The accrued interest arising on pawnbroking receivables is included in prepayments and accrued income using the effective rate of interest. All other amounts which are not interest bearing are stated at their recoverable amount, being invoice value less provision for any bad debts.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand, foreign currency held for resale and short term deposits held with banks with a maturity of three months or less from inception.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash, foreign currency held for resale and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Impairment of financial assets

The Group assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears, fall in value of the secured pledges below the value of the outstanding loans or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

3. SIGNIFICANT ACCOUNTING POLICIES continued

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the statement of comprehensive income, or 'other financial liabilities'.

All financial liabilities are recognised initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at fair value through the statement of comprehensive income

Only the Group's derivative financial instruments are classified as financial liabilities at fair value through the statement of comprehensive income.

Financial liabilities at fair value through the statement of comprehensive income are stated at fair value, with any resultant gain or loss recognised in the statement of comprehensive income. The net gain or loss recognised in the statement of comprehensive income incorporates any interest paid on the financial liability.

Other financial liabilities

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of comprehensive income.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either
 - (a) the Group has transferred substantially all the risks and rewards of the asset, or
 - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

3. SIGNIFICANT ACCOUNTING POLICIES continued

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the consolidated statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.10 Fair value measurement

The Group measures financial instruments, such as derivatives, at fair value at the date of each statement of financial position.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.11 Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. SIGNIFICANT ACCOUNTING POLICIES *continued*

The carrying amount of deferred tax assets is reviewed at the date of each statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates and laws that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax is recognised on an undiscounted basis.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.12 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date.

For arrangements entered into prior to 1 April 2013, the date of inception is deemed to be 1 April 2013 in accordance with IFRS 1 First-time Adoption of International Reporting Standards.

Hire purchase agreements and finance lease agreements

Finance leases and hire purchase agreements that transfer to the Group substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. The leased asset is depreciated over the shorter of the lease term and its useful economic life.

Obligations under such agreements are included within payables, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Comprehensive Income so as to produce a constant periodic rate of interest on the net obligation outstanding in each period.

Operating lease agreements

Rentals applicable to operating leases, where substantially all of the risks and benefits or ownership remains with the lessor, are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

Lease incentives are spread over the period of the lease on a straight line basis.

3.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured using the directors' best estimate of the expenditure required to settle the obligation at the date of each statement of financial position.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

All of the group's premises are leased under operating leases. The majority of the leases include an end of lease rectification clause to return the property to its original state. No provision is made until a board decision has been taken to either terminate or not to renew the lease. Additionally, the group maintains stores to a high standard and completes any necessary repairs and maintenance on a timely basis using the in-house property department and external contractors. These costs are expensed as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

3. SIGNIFICANT ACCOUNTING POLICIES continued

3.14 Pensions and other post-employment benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held and administered separately from those of the Group. Contributions payable for the year are charged in the statement of comprehensive income. Total contributions for the year are disclosed in note 9 to the accounts. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

3.15 Employee share incentive plans

The group grants equity settled share option rights to the parent entity's equity instruments to certain directors and senior staff members under a LTIP (Long term incentive Plan). The employee share options are measured at fair value at the date of grant by the use of either the Black-Scholes Model or a Monte Carlo model depending on the vesting conditions attached to the share option. The fair value is expensed on a straight line basis over the vesting period based on an estimate of the number of options that will eventually vest.

3.16 Revenue recognition

Revenue is recognised when the entity transfers significant risks and rewards of ownership to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

Pawnbroking revenue

Revenue from pawnbroking comprises interest on pledge loan books and comprises the following two distinct components:

Contractual interest earned:

Contractual interest is earned on pledge loans up to the point of redemption or the end of the primary contract term. Interest receivable on loans is recognised as interest accrues by reference to the principle outstanding and the effective rate applicable, which is the rate that discounts the estimated cash receipts through the expected life of the financial asset to that asset's net carrying value.

Revenue arising from the disposal of unredeemed pledge contracts:

Revenue is recognised on the disposal of unredeemed pledge contracts when additional interest and transaction fee income is earned.

Sale of precious metals and diamonds acquired via over the counter purchases

Gold/Silver – Revenue is recognised at either the prevailing spot price, or in the case of gold, at the fixed amount booked, at the point it is received by the Group's bullion dealer.

Platinum and palladium – Revenue is recognised at the point a confirmed sell instruction is issued to the Group's bullion dealer.

Retail sales

Revenue is recognised at the point the goods are delivered to the customer.

Currency income

Revenue is earned in respect of the provision of Bureau de Change facilities offered and represents the margin earned which is recognised at the point the currency is collected by the customer.

3. SIGNIFICANT ACCOUNTING POLICIES *continued*

Other financial income

Other financial income comprises cheque cashing fees, buyback and other miscellaneous revenues. Cheque cashing fees earned are recognised within revenue by reference to the date the transaction takes place. Buyback revenue relates to the sale of items to a customer, either the person who originally sold that item to the business, or to a third party. Revenue is recognised at the delivery of the item to a customer.

Dividend income

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

4. KEY SOURCES OF ESTIMATION, UNCERTAINTY AND SIGNIFICANT ACCOUNTING JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Revenue recognition – pawnbroking loans interest accrual estimation

The group recognises interest on pawnbroking loans as disclosed in note 3.16. The pawnbroking loans interest accrual (pledge accrual) is material and is dependent on the estimate that the Group makes of both the expected level of the unredeemed pawnbroking loans and the ultimate realisation value for the pledge assets supporting those loans. An assessment is made on a pledge by pledge basis of the carrying value represented by original capital loaned plus accrued interest to date and its corresponding realisation value on sale of unredeemed pledges to identify any deficits. The principle estimates within the loan interest accrual are:

1. Non Redemption Rate

- This is based upon current and historical data held in respect of non – redemption rates.

2. Realisation Value

This based upon either:

- The current price of the metal that will be received through the sale of the metal content via disposal through a bullion dealer.
- The expected resale value of those jewellery items within the pledge that can be retailed through the branch network.

See note 14 for further details on pawnbroking credit risk and provision values.

Impairment of property, plant and equipment and intangible assets

Determining whether property, plant and equipment and intangibles are impaired requires an estimation of the value in use of the CGU to which the assets have been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and selecting a suitable discount rate in order to calculate present value. The review is conducted annually, in the final quarter of the year. The impairment review is conducted at the level of each CGU, which is usually taken to be each individual branch store.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

4. KEY SOURCES OF ESTIMATION, UNCERTAINTY AND SIGNIFICANT ACCOUNTING JUDGEMENTS continued

The principal assumptions applied by management in arriving at the value in use of each CGU are as follows:

1. The Group prepares cash flow forecasts for each branch. Cash flows represent management's estimate of the revenue of the relevant CGU, based upon the specific characteristics of the branch and its stage of development.
2. The Group has discounted the forecast cash flows at a pre-tax, risk adjusted rate of 12%.
3. Where the recoverable amount of the CGU was estimated to be less than its carrying amount, the carrying amount of the CGU was reduced to the estimated recoverable amount.

Whilst the impairment review has been conducted based on the best available estimates at the impairment review date, the Group notes that actual events may vary from management expectation.

Trade receivables provisioning

Trade and other receivables, with the exception of expired pledges, are stated at their nominal amount less expected impairment losses.

For unredeemed pledges, the goods securing the loan are put up for sale as the Group is selling the goods on behalf of the customer to repay the loan. An impairment review of the carrying value for each unredeemed pledge is undertaken and the resultant amount is shown within trade receivables at the lower of:

- (i) the original capital loaned together with the accrued primary term interest less the proceeds of any goods sold to date; and
- (ii) the current market value of the remaining goods within the pledge that have yet to be realised.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

5. SEGMENTAL ANALYSIS

The group's revenue from external customers is shown by geographical location below:

	2018 £'000	2017 £'000
Revenue		
United Kingdom	39,800	34,516
Other	142	-
	39,942	34,516

The Group's assets are located entirely in the United Kingdom therefore, no further geographical segments analysis is presented. The Group is organised into operating segments, identified based on key revenue streams, as detailed in the CEO's review.

5. SEGMENTAL ANALYSIS continued

	2018 £'000	2017 £'000
Revenue		
Pawnbroking	6,966	6,128
Purchases of precious metals	10,936	10,839
Retail Jewellery sales	7,960	5,909
Foreign currency margin	11,329	8,971
Income from other financial services	2,751	2,669
Total revenue	39,942	34,516
	2018 £'000	2017 £'000
Gross profit		
Pawnbroking	6,966	6,128
Purchases of precious metals	4,356	4,336
Retail Jewellery sales	4,130	3,321
Foreign currency margin	11,329	8,971
Income from other financial services	1,566	1,532
Total gross profit	28,347	24,288
Administrative expenses	(21,937)	(19,735)
Exceptional expenses	-	(1,110)
Finance costs	(177)	(614)
Gain on fair value of derivative financial liability	79	107
Profit before tax	6,312	2,936

Income from other financial services comprises of cheque cashing fees, electronics & buybacks, agency commissions on miscellaneous financial products.

Revenue from the purchases of precious metals is currently from one bullion dealer. There is no reliance on key customers in other revenue streams.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

5. SEGMENTAL ANALYSIS continued

The Group is unable to meaningfully allocate administrative expenses, or financing costs or income between the segments. Accordingly, the Group is unable to meaningfully disclose an allocation of items included in the Consolidated Statement of Comprehensive income below Gross profit, which represents the reported segmental results.

	2018 £'000	2017 £'000
Other information		
Tangible & intangible capital additions (*)	1,312	492
Depreciation and amortisation (*)	1,290	1,368
	2018 £'000	2017 £'000
Assets		
Pawnbroking	9,421	8,242
Purchase of precious metals	1,323	773
Retail Jewellery sales	6,214	4,354
Foreign currency margin	7,162	6,096
Income from other financial services	472	480
Unallocated (*)	13,022	11,358
	37,614	31,303
Liabilities		
Pawnbroking	254	167
Purchase of precious metals	5	-
Retail Jewellery sales	1,418	657
Foreign currency margin	2,814	1,771
Income from other financial services	422	190
Unallocated (*)	5,133	5,123
	10,046	7,908

(*) The Group cannot meaningfully allocate this information by segment due to the fact that all segments operate from the same stores and the assets in use are common to all segments. Fixed assets are therefore included in the unallocated assets balance.

6. FINANCE COSTS

	2018 £'000	2017 £'000
Interest on debts and borrowings	176	613
Finance charges payable under finance leases and hire purchase contracts	1	1
Total finance costs	177	614

7. PROFIT BEFORE TAXATION HAS BEEN ARRIVED AT AFTER CHARGING/(CREDITING)

	2018 £'000	2017 £'000
Depreciation of property, plant and equipment reported within:		
– Administrative expenses	1,079	1,047
Amortisation of intangible assets reported within:		
– Administrative expenses	211	320
Loss on disposal of property, plant and equipment	29	83
Cost of inventories recognised as an expense	11,595	10,228
Staff costs	11,256	9,177
Foreign currency gains	(93)	(128)
Operating lease payments	2,726	2,643
Auditor's remuneration - Audit Fees	78	89
Exceptional expenses	–	1,110

The Company and Group audit fees are borne by a subsidiary undertaking, Ramsdens Financial Limited. There were no fees payable to the Company's auditor in respect of non-audit services.

Exceptional expenses in 2017 relates to professional costs incurred in relation to the Ramsdens Holdings PLC listing on the AIM market together with a bonus paid to those members of staff that were employed at the time of the Group's MBO on the 2 September 2014 in recognition of their loyalty.

8. EARNINGS PER SHARE

	2018 £'000	2017 £'000
Profit for the year	5,034	2,010
Weighted average number of shares in issue	30,837,653	25,750,444
Earnings per share (pence)	16.3	7.8
Fully Diluted earnings per share (pence)	15.9	7.6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

9. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Directors' emoluments

	2018				2017			
	Emoluments	Pension	LTIP	Total	Emoluments	Pension	LTIP	Total
Executive								
Peter Kenyon	312	15	50	377	194	13	2	209
Martin Clyburn*	207	10	28	245	67	1	1	69
Michael Johnson**	-	-	-	-	84	6	-	90
Kevin Brown**	-	-	-	-	50	42	-	92
Non Executive								
Andrew Meehan	58	-	-	58	32	-	-	32
Simon Herrick***	42	-	-	42	10	-	-	10
Steve Smith***	35	-	-	35	9	-	-	9
Total	654	25	78	757	446	62	3	511

* Martin Clyburn was appointed to the board in August 2016

** Michael Johnson and Kevin Brown resigned as directors of the Company in February 2017

*** Simon Herrick and Steve Smith were appointed to the board in January 2017

	2018 £'000	2017 £'000
Included in administrative expenses:		
Wages and salaries	10,211	8,436
Social security costs	738	565
Share option scheme	161	7
Pension costs	146	169
Total employee benefits expense	11,256	9,177

The average number of staff employed by the group during the financial period amounted to:

	2018 No.	2017 No.
Head Office and management	84	66
Branch Counter staff	491	486
	575	552

10. INCOME TAX

The major components of income tax expense are:

Consolidated statement of comprehensive income

	2018 £'000	2017 £'000
Current income tax:		
Current income tax charge	1,341	969
Adjustments in respect of current income tax of previous year	(14)	57
	1,327	1,026
Deferred tax:		
Relating to origination and reversal of temporary differences	(49)	(100)
Income tax expense reported in the statement of comprehensive income	1,278	926

A reconciliation between tax expense and the product of accounting profit multiplied by the UK domestic tax rate is as follows:

	2018 £'000	2017 £'000
Profit before income tax	6,312	2,936
UK corporation tax rate at 19% (2017: 20%)	1,199	587
Expenses not deductible for tax purposes	93	282
Prior period adjustment	(14)	57
Income tax reported in the statement of comprehensive income	1,278	926

Deferred tax

	2018 £'000	2017 £'000
Deferred tax assets		
Share based payments	84	-
Total	84	-

Deferred tax relates to the following:

	2018 £'000	2017 £'000
Deferred tax liabilities		
Accelerated depreciation for tax purposes	1	4
Other short-term differences	114	133
Deferred tax liabilities	115	137

Reconciliation of deferred tax liabilities net

	2018 £'000	2017 £'000
Opening balance as of 1 April	137	237
Deferred tax recognised in the statement of comprehensive income	(49)	(100)
Other deferred tax	(57)	-
Closing balance as at 31 March	31	137

Factors affecting tax charge

The standard rate of UK corporation tax for the period was 19% (2017: 20%). Reductions in the rate to 19% from 1 April 2017 and 17% from 1 April 2020 were enacted prior to the date of the statement of financial position and have been applied to the Group's deferred tax balances. This will adjust the Group's future tax charge accordingly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

11. PROPERTY, PLANT AND EQUIPMENT

	Leasehold property £'000	Fixtures & Fitting £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2017	3,686	2,517	392	40	6,635
Additions	601	387	213	–	1,201
Disposals	(141)	(172)	(94)	–	(407)
At 31 March 2018	4,146	2,732	511	40	7,429
Depreciation					
At 1 April 2017	1,416	877	118	14	2,425
Depreciation charge for the year	586	382	105	6	1,079
Disposals	(141)	(163)	(73)	–	(377)
At 31 March 2018	1,861	1,096	150	20	3,127
Net book value					
At 31 March 2018	2,285	1,636	361	20	4,302
At 31 March 2017	2,270	1,640	274	26	4,210

Finance leases

The carrying value of plant and equipment held under finance leases and hire purchase contracts at 31 March 2018 was £15,000 (2017: £19,000). Assets under hire purchase contracts are pledged as security for the related hire purchase liabilities. Total future obligations under finance leases are £9,000 (2017: £17,000).

12. INTANGIBLE ASSETS

	Customer relationships £'000	Website £'000	Goodwill £'000	Total £'000
Cost				
At 1 April 2017	1,344	79	-	1,423
Additions	31	-	-	31
Aquisitions	-	-	80	80
Disposals	-	-	-	-
At 31 March 2018	1,375	79	80	1,534
Amortisation				
At 1 April 2017	876	18	-	894
Amortisation charge for the year	195	16	-	211
Disposals	-	-	-	-
At 31 March 2018	1,071	34	-	1,105
Net book value				
At 31 March 2018	304	45	80	429
At 31 March 2017	468	61	-	529

On 5 January 2018 the Group purchased a jewellery business for consideration of £100,000 paid in cash. This comprised £20,000 for tangible fixed assets and £80,000 for goodwill. The store was refurbished and rebranded and opened in March 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

13. INVESTMENTS

The Group has a minor holding in Big Screen Productions 5 LLP.

Big Screen Productions 5 LLP, whilst still trading, has wound down its operations and made a capital distribution equivalent to the value of the carrying value of the investment in 2015. The investment now has a £nil carrying value.

Group Investments

Details of the investments in which the group and company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding	Proportion of voting rights and shares held	Activity
Subsidiary undertakings			
Ramsdens Group Limited (Registered office: Unit 16 Parkway Centre, Coulby Newham, TS8 0TJ)	Ordinary Shares	100%	Supply of management & strategic services
Ramsdens Financial Limited (Registered office: Unit 16 Parkway Centre, Coulby Newham, TS8 0TJ)	Ordinary Shares	100%	Supply of foreign exchange services, pawnbroking, purchase of gold jewellery, jewellery retail and related financial services.

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

At 31 March 2018

	Fair value through statement of comprehensive income £'000	Loans and receivables £'000	Financial liabilities at amortised cost £'000	Book Value £'000	Fair Value £'000
Financial assets					
Trade and other receivables	-	9,930	-	9,930	9,930
Cash and cash equivalents	-	14,619	-	14,619	14,619
Financial liabilities					
Trade and other payables	-	-	(7,176)	(7,176)	(7,176)
Borrowings	-	-	(1,883)	(1,883)	(1,883)
Derivative financial liabilities - interest rate swap	(40)	-	-	(40)	(40)
Net financial assets/(liabilities)	(40)	24,549	(9,059)	15,450	15,450

At 31 March 2017

	Fair value through statement of comprehensive income £'000	Loans and receivables £'000	Financial liabilities at amortised cost £'000	Book Value £'000	Fair Value £'000
Financial assets					
Trade and other receivables	-	8,672	-	8,672	8,672
Cash and cash equivalents	-	11,864	-	11,864	11,864
Financial liabilities					
Trade and other payables	-	-	(4,809)	(4,809)	(4,809)
Borrowings	-	-	(2,327)	(2,327)	(2,327)
Derivative financial liabilities - interest rate swap	(119)	-	-	(119)	(119)
Net financial assets/(liabilities)	(119)	20,536	(7,136)	13,281	13,281

Trade and other receivables shown above comprises trade receivables, other receivables and pledge accrued income as disclosed in note 16.

Trade and other payables comprises of trade payables, other payables and accruals as disclosed in notes 18 & 19.

Borrowings comprises of bank borrowings, obligations under finance leases, loan notes and other loans as disclosed in notes 18 & 19.

Loans and receivables are non-derivatives financial assets carried at amortised cost which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Management have assessed that for cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities their fair values approximate to their carrying amounts largely due to the short-term maturities of these instruments. Book values are deemed to be a reasonable approximation of fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

Fair value

The assumptions used by the Group to estimate the fair values are summarised below:

The fair value of the interest rate swaps is based upon the projected interest rate curves, over the life of the interest rate swaps. This valuation falls within level 2 of the fair value hierarchy in IAS39.

The fair value of all other financial instruments is equivalent to their book value due to their short maturities.

Financial Risks

The Group monitors and manages the financial risks relating to the financial instruments held. The principal risks include credit risk on financial assets, and liquidity and interest rate risk on financial liability borrowings. The key risks are analysed below.

Credit risk

Pawnbroking trade receivables

The Group is exposed to credit risk through customers defaulting on their loans. The key mitigating factor to this risk is the requirement for the borrower to provide security (the pledge) in entering a pawnbroking contract. The security acts to minimise credit risk as the pledged item can be disposed of to realise the loan value on default.

The Group estimates that the current fair value of the security is equal to the current book value.

In addition to holding security, the Group further mitigates credit risk by:

- 1) Applying strict lending criteria to all pawnbroking loans. Pledges are rigorously tested and appropriately valued. In all cases where the Group lending policy is applied, the value of the pledged items is in excess of the pawn loan.
- 2) Seeking to improve redemption ratios. For existing customers, loan history and repayment profiles are factored into the loan making decision. The Group has a high customer retention ratio and all customers are offered high customer service levels.
- 3) The carrying value of every pledge comprising the pawnbroking trade receivables in the loan book is reviewed against its expected realisation proceeds should it not be redeemed and any deficits are provided for based on current and historical non redemption rates. In addition a further provision is made in respect of those expired pledges that are in the course of realisation by reviewing the carry value of each pledge against the expected realisation proceeds and writing the pledge down to its recoverable amount.

The Group continually monitors, at both store and at Board level, its internal controls to ensure the adequacy of the pledged items. The key aspects of this are:

- Appropriate details are kept on all customers the Group transacts with;
- All pawnbroking contracts comply with the Consumer Credit Act 2006;
- Appropriate physical security measures are in place to protect pledged items; and
- An internal audit department monitors compliance with policies at the Group's stores.

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

The pawnbroking accrued income is disclosed net of the provision for bad and doubtful debts associated with these financial assets.

The movement on these provisions is as follows:

	Pawnbroking Trade Receivables £'000	Pawnbroking Trade receivables in the course of realisation £'000
At 1 April 2016	301	112
Statement of comprehensive income charge	(9)	(46)
At 31 March 2017	292	66
Statement of comprehensive income charge	50	12
Balance at 31 March 2018	342	78

Bad Debts written off during the year net of recoveries were:

	2018 £'000	2017 £'000
Pawnbroking Trade Receivables	14	12

The ageing of the Pawnbroking trade receivables excluding those in the course of realisation is as follows:

	2018 £'000	2017 £'000
Within contractual term	5,732	5,402
Past due	699	572
	6,431	5,974

The Group has not provided for the contractually overdue receivables (i.e. loans where the pawnbroking agreement has terminated but the customer has not redeemed the assets) at the reporting date since the realisable value of the security held is greater than the carrying value of the pledge loan as disclosed above. The Group does not start the disposition process of the unredeemed pledges until at least one month after the due repayment date since it is commercial practice to allow additional time for the customers to redeem their pledges.

Cash and cash equivalents

The cash and cash equivalents balance comprises both bank balances and cash floats at the stores. The bank balances are subject to very limited credit risk as they are held with banking institutions with high credit ratings assigned by international credit rating agencies. The cash floats are subject to risks similar to any retailer, namely theft or loss by employees or third parties. These risks are mitigated by the security systems, policies and procedures that the Group operates at each store, the Group recruitment and training policies and the internal audit function.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

Market risk

Pawnbroking trade receivables

The collateral which protects the Group from credit risk on non-redemption of pawnbroking loans is principally comprised of gold, jewellery items and watches. The value of gold items held as security is directly linked to the price of gold. The Group is therefore exposed to adverse movements in the price of gold on the value of the security that would be attributable for sale in the event of default by the borrower.

The Group considers this risk to be limited for a number of reasons. First of all, the Group applies conservative lending policies in pawnbroking pledges reflected in the margin made on retail sales and scrap gold when contracts forfeit. The Group is also protected due to the short term value of the pawnbroking contract. In the event of a significant drop in the price of gold, the Group could mitigate this risk by reducing its lending policy on pawnbroking pledges, by increasing the proportion of gold sold through retail sales or by entering gold hedging instruments. Management monitors the gold price on a constant basis.

Considering areas outside of those financial assets defined under IAS 39, the Group is subject to higher degrees of pricing risk. The price of gold will affect the future profitability of the Group in three key ways:

- i) A lower gold price will adversely affect the scrap disposition margins on existing inventory, whether generated by pledge book forfeits or direct purchasing. While scrap profits will be impacted immediately, retail margins may be less impacted in the short term.
- ii) While the Group's lending rates do not track gold price movements in the short term, any sustained fall in the price of gold is likely to cause lending rates to fall in the longer term thus potentially reducing future profitability.
- iii) A lower gold price may reduce the attractiveness of the Group's gold purchasing operations.

Conversely, a lower gold price may dampen competition as lower returns are available and hence this may assist in sustaining margins and volumes.

Financial assets

The Group is not exposed to significant interest rate risk on the financial assets, other than cash and cash equivalents, as these are lent at fixed rates, which reflect current market rates for similar types of secured or unsecured lending, and are held at amortised cost.

Cash and cash equivalents are exposed to interest rate risk as they are held at floating rates, although the risk is not significant as the interest receivable is not significant.

Liquidity risk

Cash and cash equivalents

Bank balances are held on short term/no notice terms to minimise liquidity risk.

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

Trade and other payables

Trade and other payables are non-interest bearing and are normally settled on 30 day terms, see note 18.

Borrowings

The maturity analysis of the cash flows from the group's borrowing arrangements that expose the group to liquidity risk are as follows:

	2018 £'000	2017 £'000
Bank borrowings	1,875	2,310
Amount repayable		
In one year or less	1,875	2,310
In more than one year but no more than two years	-	-
In more than two years but no more than five years	-	-
	1,875	2,310

The interest charged on bank borrowings is based on a fixed percentage above LIBOR. There is therefore a cash flow risk should there be any upward movement in LIBOR rates. Assuming the £7million revolving credit facility was fully utilised then a 1% increase in the LIBOR rate would increase finance costs by £70,000 pre-tax and reduce post-tax profits by £57,000.

Derivative financial instruments comprises of interest rate swap facilities that mature in October 2018. The movement in this liability is shown as a gain on fair value of derivative financial liability in the statement of comprehensive income. For the year ended 31 March 2018 the gain was £79,000 (2017: £107,000).

15. INVENTORIES

	2018 £'000	2017 £'000
New and second hand inventory for resale (at lower of cost or net realisable value)	7,567	5,338

16. TRADE AND OTHER RECEIVABLES

	2018 £'000	2017 £'000
Trade receivables - Pawnbroking	6,431	5,974
Trade receivables - Pawnbroking in the course of realisation	1,965	1,350
Trade receivables - other	495	405
Other receivables	14	25
Pledge accrued Income	1,025	917
Prepayments and accrued income	683	690
	10,613	9,362

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

17. CASH AND CASH EQUIVALENTS

	2018 £'000	2017 £'000
Cash and cash equivalents	14,619	11,864

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits.

Further details on financial instruments, including the associated risks to the Group and allowances for bad and doubtful debts and fair values is provided in note 14.

18. TRADE AND OTHER PAYABLES (CURRENT)

	2018 £'000	2017 £'000
Bank borrowings	1,875	2,310
Trade payables	5,259	3,335
Other payables	336	297
Income tax liabilities	633	305
Other taxes and social security	198	211
Accruals and deferred income	1,281	773
Obligations under finance leases (note 11)	8	8
	9,590	7,239

Terms and conditions of the above financial liabilities:

- Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

For explanations on the Group's liquidity risk management processes, refer to note 14.

Bank borrowings

The RCF facility was renewed during the previous year with an increase in facility size from £5m to £7m and an increase in term for a further 3 years. Details of the facility are as follows:

Key Term	Description
Facility	Revolving Credit Facility with Clydesdale Bank Plc (trading as Yorkshire Bank)
Total facility size	£7m
Termination date	04/03/2020
Utilisation	The £7m facility is available subject to the ratio of cash at bank in hand (inclusive of currency balances) to the RCF borrowing exceeding 1.5 as stipulated in the banking agreement
Interest	Interest is charged on the amount drawn down at 2.5% above LIBOR rate when the initial the drawdown is made and for unutilised funds interest is charged at 1% above Libor rate from the date when the facility was made available. The LIBOR rate is reset to the prevailing rate every interest period typically three months throughout the facility period
Interest Payable	Interest is payable at intervals to suit the company but typically three months
Repayments	The facility can be repaid at any point during its term and re-borrowed
Security	The facility is secured by a debenture over all the assets of Ramsdens Financial Ltd and cross guarantees and debentures have been given by Ramsdens Group Limited and Ramsdens Holdings PLC
Undrawn facilities	At the 31 March 2018 the group had available £5m of undrawn committed facilities

18. TRADE AND OTHER PAYABLES (CURRENT) continued

Finance lease and hire purchase commitments

The Group has finance leases and hire purchase contracts for one motor vehicle. The Group's obligations under finance leases are secured by the lessor's title to the leased assets. Future minimum lease payments under finance leases and hire purchase contracts, together with the present value of the net minimum lease payments at 31st March 2018 is £9,000 (2017: £17,000).

19. NON-CURRENT LIABILITIES

	2018 £'000	2017 £'000
Obligations under finance leases (note 11)	1	9
Accruals and deferred income	300	404
Derivative financial instruments (note 14)	40	119
Deferred tax (note 10)	115	137
	456	669

20. ISSUED CAPITAL AND RESERVES

Ordinary shares issued and fully paid

	No.	£'000
Ordinary A shares of £1 each	186,250	186
Ordinary B shares of £1 each	60,983	61
At 31 March 2016	247,233	247
Reorganisation of existing share capital and reclassification to 1p shares	24,723,300	247
Bonus issue of ordinary 1p shares	300,400	3
Issue of new ordinary 1p shares	5,813,953	58
At 31 March 2017 & 31 March 2018	30,837,653	308

The Company reorganised the issued ordinary share capital during the previous year to unify the 'A' shares & 'B' shares into one class of 1p ordinary shares. As part of this re-organisation a bonus issue of 300,400 ordinary shares was made capitalising £3,000 of reserves.

The Company issued 5,813,953 ordinary 1p shares during the previous year at 86p per share. Associated fees of £50,000 were charged to share premium account.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 18, cash and cash equivalents and equity attributable to the equity holders of the parent, comprising issued capital, reserves and retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

21. DIVIDENDS

Amounts recognised as distributions to equity holders in the year:

	2018 £'000	2017 £'000
Final dividend for the year ended 31 March 2017 of 1.3 pence per share	401	–
Interim dividend for the year ended 31 March 2018 of 2.2 pence per share	678	–
	1,079	–
Amounts proposed and not recognised:		
Proposed final dividend for the year ended 31 March 2018 of 4.4p (2017: 1.3p) per share	1,357	401

The proposed final dividend is subject to approval at the Annual General Meeting accordingly has not been included as a liability in these financial statements.

22. PENSIONS

The company operates a defined contribution scheme for its directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The outstanding pension contributions at 31 March 2018 are £13,000 (2017: £107,000).

23. COMMITMENTS AND CONTINGENCIES

Operating lease commitments – Group as lessee

At the date of the statement of financial position, the Group had outstanding commitments for future minimum rentals payable under non-cancellable operating leases, which fall due as follows:

	2018 £'000	2017 £'000
Land and buildings		
Within one year	2,368	2,442
After one year but not more than five years	6,566	7,812
More than five years	1,673	1,335
	10,607	11,589
Other		
Within one year	61	79
After one year but not more than five years	36	54
More than five years	–	–
	97	133

Significant operating lease payments represent rentals payable by the Group for rental of store premises. Leases are normally renegotiated for an average term of 10 years at the then prevailing market rate, with a break option after 5 years.

24. RELATED PARTY DISCLOSURES

Ultimate controlling party

The Company has no controlling party. Prior to 15 February 2017 the Company was controlled by NorthEdge Capital Fund 1 LP which held 73.89% of the issued share capital since 2 September 2014.

Transactions with related parties

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with key management personnel

The remuneration of the directors of the company, who are the key management personnel of the Group, is set out below in aggregate:

	2018 £'000	2017 £'000
Short term employee benefits	946	613
Post employment benefits	43	78
Share based payments	119	6
	1,108	697

25. SHARE BASED PAYMENTS

As at 31 March 2018 the Company operated a Long-term Incentive Plan (LTIP). The charge for the year in respect of the scheme was:

	2018 £'000	2017 £'000
LTIP	161	7

The LTIP is a discretionary share incentive scheme under which the Remuneration Committee can grant options to purchase ordinary shares at nominal 1p per share cost to Executive Directors and other senior management. The LTIP commenced in March 2017, details were as follows:

	2018	
	Number of conditional Shares	Weighted average exercise price in pence
Outstanding at the beginning of the year	805,554	–
Granted	–	–
Forfeited during the year	–	–
Exercised during the year	–	–
Outstanding at the end of the year	805,554	–

The options vest according to the achievement against two criteria

Total Shareholder Return – TSR – 50% of options awarded

Earnings per Share – EPS – 50% of options awarded

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

25. SHARE BASED PAYMENTS continued

The Fair value of services received in return for share options granted is based on the fair value of share options granted and are measured using the Monte Carlo method for TSR performance condition as this is classified as a market condition under IFRS2 and using the Black Scholes method for the EPS performance condition which is classified as a non- market condition under IFRS2. The fair values have been computed by an external specialist and the key inputs to the valuation model were:

Model	TSR Condition Monte Carlo	EPS Condition Black Scholes
Grant Date	13/03/2017	13/03/2017
Share Price	£1.06	£1.06
Exercise Price	£0.01	£0.01
Vesting period	3.05 years	3.05 years
Risk Free return	0.2%	0.2%
Volatility	27.0%	27.0%
Dividend Yield	7.5%	7.5%
Fair value of Option (£)	0.39	0.81

Early exercise of the options is permitted if a share award holder ceases to be employed by reason of death, injury, disability, or sale of the Company. The maximum term of the share options is 10 years.

26. POST BALANCE SHEET EVENTS

There were no post balance sheet events that require further disclosure in the financial statements.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
Assets			
Non-current assets			
Investments	D	7,681	7,845
Deferred tax	E	84	-
		7,765	7,845
Current assets			
Receivables	F	3,511	1,854
Cash and short term deposits		27	207
		3,538	2,061
Total assets		11,303	9,906
Current liabilities			
Trade and other payables	G	302	108
		302	108
Net current assets		3,236	1,953
Total assets less current liabilities		11,001	9,798
Net assets		11,001	9,798
Equity			
Issued capital	H	308	308
Share Premium		4,892	4,892
Retained earnings		5,801	4,598
Total equity		11,001	9,798

The Profit after tax for the Company for the year ended 31 March 2018 was £2,050,000 (2017:£4,594,000).

These financial statements were approved by the directors and authorised for issue on 6 June 2018 and signed on their behalf by:



M A Clyburn

Chief Financial Officer

Company Registration Number: 8811656

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share Capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
As at 1 April 2016	247	-	-	247
Profit for the year	-	-	4,594	4,594
Total comprehensive income	-	-	4,594	4,594
Bonus issue of share capital	3	-	(3)	-
Issue of share capital	58	4,942	-	5,000
Costs associated with issue of share capital	-	(50)	-	(50)
Share based payments	-	-	7	7
As at 31 March 2017	308	4,892	4,598	9,798
As at 1 April 2017	308	4,892	4,598	9,798
Profit for the year	-	-	2,050	2,050
Total comprehensive income	-	-	2,050	2,050
Dividends paid	-	-	(1,079)	(1,079)
Share based payments	-	-	161	161
Deferred tax on share based payments	-	-	71	71
As at 31 March 2018	308	4,892	5,801	11,001

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

A. ACCOUNTING POLICIES

Basis of Preparation

Ramsdens Holdings PLC (the “Company”) is a public limited company incorporated and domiciled in England and Wales. The registered office of the Company is Unit 16, Parkway Shopping Centre, Coulby Newham, Middlesbrough, TS8 0TJ. The registered company number is 08811656. A list of the Company’s subsidiaries is presented in note D.

The principal activities of the Company and its subsidiaries (the “Group”) are the supply of foreign exchange services, pawnbroking and related financial services, jewellery sales, and the purchase of gold jewellery from the general public.

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the financial statements have been prepared in accordance with FRS 101 (Financial Reporting Standard 101) ‘Reduced disclosure Framework’ as issued by the FRC in September 2015.

The financial statements have been prepared on the historical cost basis.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where required, equivalent disclosures are given in the Group financial statements of Ramsdens Holdings PLC. The Group financial statements of Ramsdens Holdings PLC are available to the public.

The financial statements have been prepared on a going concern basis as discussed in the Directors’ Report.

The particular accounting policies adopted are described below.

Taxation

Current tax

The tax currently payable is based on taxable profit for the year. The Company’s liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Investments

Fixed assets investments are shown at cost less provision for impairment.

Financial Liabilities And Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting liabilities.

Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS continued

A. ACCOUNTING POLICIES continued

Dividends

Dividends receivable from subsidiary undertakings are recorded in the statement of comprehensive income on the date that the dividend becomes a binding liability on the subsidiary company.

Dividends payable are recorded as a distribution from retained earnings in the period in which they become a binding liability on the Company.

Employee Share Incentive Plans

Ramsdens Holdings PLC grants equity settled share option rights to the parent entity's equity instruments to certain directors and senior staff members under a LTIP (Long term incentive Plan). The employee share options are measured at fair value at the date of grant by the use either the Black- Scholes Model or a Monte Carle model depending on the vesting conditions attached to the share option. The fair value is expensed on a straight line basis over the vesting period based on an estimate of the number of options that will eventually vest.

B. COMPANY STATEMENT OF COMPREHENSIVE INCOME

As permitted by s408 of the Companies Act 2006 the Company has elected not to present its own statement of comprehensive income for the year.

The auditor's remuneration for the current and preceding financial years is borne by a subsidiary undertaking, Ramsdens Financial Limited. Note 7 to the Group financial statements discloses the amount paid.

C. STAFF AND KEY PERSONNEL COSTS

Other than the Directors who are the key personnel, the Company has no employees, details of their remuneration is set out below:

	2018 £'000	2017 £'000
Remuneration receivable	654	96
Social security cos	86	11
Value of company pension contributions to money purchase schemes	25	55
Share based payments	78	3
	843	165

Remuneration of the highest paid director:

	2018 £'000	2017 £'000
Remuneration receivable	312	29
Social security cost	42	4
Value of company pension contributions to money purchase schemes	15	53
Share Based Payments	50	2
	419	88

The number of directors accruing retirement benefits under the money purchase scheme is 2 (2017: nil)

D. INVESTMENTS

Shares in subsidiary undertakings

	Total £'000
Cost	
At 1 April 2017	7,845
Additions – Share based payments	83
Impairment – reduction in capital in Ramsdens Group Limited	(247)
At 31 March 2018	7,681

Additions during the year represent share based payment expense recognised in Ramsdens Financial Limited. The impairment was the result of a reduction in capital in Ramsdens Group Limited. This reduction in capital facilitated a dividend paid by Ramsdens Group Limited to Ramsdens Holdings PLC of £250,000.

The Investments in Group Companies which are included in the consolidated statements are as follows:

Name of company	Holding	Proportion of voting rights and shares held	Activity
Subsidiary undertakings			
Ramsdens Group Limited (Registered office: Unit 16 Parkway Centre, Coulby Newham, TS8 0TJ)	Ordinary Shares	100%	Supply of management & strategic services
Ramsdens Financial Limited (Registered office: Unit 16 Parkway Centre, Coulby Newham, TS8 0TJ)	Ordinary Shares	100%	Supply of foreign exchange services, pawnbroking, purchase of gold jewellery, jewellery retail and related financial services.

E. DEFERRED TAX

Deferred tax relates to the following:

	2018 £'000	2017 £'000
Deferred tax assets	84	-
	84	-

Reconciliation of deferred tax assets

	2018 £'000	2017 £'000
Opening balance as of 1 April	-	-
Deferred tax credit recognised in the statement of comprehensive income	13	-
Other deferred tax	71	-
Closing balance as at 31 March	84	-

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS continued

F. RECEIVABLES

	2018 £'000	2017 £'000
Amounts owed by subsidiary companies	3,477	1,814
Prepayments	34	38
	3,511	1,852

G. LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Trade Payables	10	15
Other Creditors	261	75
Other taxes and Social Security	17	11
Current tax liabilities	14	7
	302	108

H. CALLED UP SHARE CAPITAL

Details of the called up share capital including share shares issued during the year can be found in note 20 within the Group financial statements of Ramsdens Holdings PLC.

I. POST BALANCE SHEET EVENTS

There were no post balance sheets events that require further disclosure in the financial statements.

COMPANY ADVISORS

Directors	Andrew David Meehan (Non-Executive Chairman) Peter Edward Kenyon (Chief Executive Officer) Martin Anthony Clyburn (Chief Financial Officer) Simon Edward Herrick (Non-Executive Director) Stephen John Smith (Non-Executive Director)
Company Secretary	Kevin Nigel Brown, F.C.A.
Registered Office and Principal Place of Business	Unit 16 The Parkway Centre Coulby Newham Middlesbrough TS8 0TJ
Telephone Number	01642 579957
Website	www.ramsdensplc.com
Nominated Adviser	Liberum Capital Limited 25 Ropemaker Street London EC2Y 9LY
Auditor	Ernst & Young LLP Citygate St James Boulevard Newcastle Upon Tyne NE1 4JD
Solicitors	Addleshaw Goddard Exchange Tower 19 Canning Street Edinburgh EH3 8EH
Financial Public Relations Adviser to the Company	Hudson Sandler LLP 25 Charterhouse Square London EC1M 6AE
Registrars	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA
Principal Bankers	Clydesdale Bank trading as Yorkshire Bank 1st Floor 94-96 Briggate Leeds LS1 6NP

