

Numis Corporation Plc Preliminary Results for the year ended 30 September 2015

London, 2 December 2015: Numis Corporation Plc (“Numis”) today announces preliminary results for the year ended 30 September 2015. Numis is the holding company of Numis Securities Limited, the independent corporate advisory and stockbroking business.

Highlights

	2015	2014	Change
Revenue	£98.0m	£92.9m	+6%
Adjusted profit before tax <small>(see note 10)</small>	£32.7m	£30.5m	+7%
Statutory profit before tax	£26.1m	£24.4m	+7%
Adjusted earnings per share <small>(see note 10)</small>	24.9p	24.0p	+4%
Statutory earnings per share	19.5p	18.7p	+4%
Total dividend for the year	11.5p	10.5p	+10%

- Continued focus on enabling UK listed and unlisted businesses to access capital to fund their growth and development. Another strong performance with Numis raising £2.1bn of funds through 38 equity raisings during the year incorporating 11 IPOs including Autotrader, Aldermore, DFS and On the Beach.
- Our goal to be advisor of choice for UK companies has progressed well with the completion of 31 M&A transactions during the year for our corporate clients.
- Revenues from equity issuance and advisory activities of £55.6m at the highest level in the Group’s history.
- Continued widespread recognition of our broking and research capabilities. Voted “Number 1 UK Small and Mid Cap Brokerage Firm” by both companies and institutions in the 2015 Thomson Reuters Extel Survey for the third year in succession.
- A further 12 capital raising transactions, including 6 IPOs, have been completed since the start of our new financial year along with a number of advisory mandates.

Commenting on the results, Oliver Hemsley, Chief Executive, said:

“The performance of the stock market was variable during the year but our high quality client base was active and our current deal pipeline is strong. By strengthening our franchise across UK companies of all sizes, we have established Numis as an advisor of choice for businesses seeking capital to grow.”

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Notes for Editors

Numis is a leading independent corporate advisory and stockbroking group offering a full range of research, execution, corporate broking and advisory services to companies quoted in the UK and their investors.

Review of Performance

Overall Performance

We are pleased to report that the business performed well during a period of variable market conditions. During the year ended 30 September 2015 revenues increased by 6% to £98.0m (2014: £92.9m) and adjusted profit before tax increased by 7% to £32.7m (2014: £30.5m). In addition, there were £1.9m of losses (2014: £0.1m gains) recognised on investments held outside of our market making business and £4.7m of charges (2014: £6.1m) relating to employee share scheme arrangements. This resulted in a statutory profit before tax for the year of £26.1m (2014: £24.4m). A reconciliation of the adjusted profit to the statutory result is set out in note 10.

UK equity indices were somewhat volatile during the year with falls during our first quarter being broadly offset by a return of confidence during our second and third quarter only to suffer further falls again in the fourth quarter as concerns over China resurfaced. This resulted in a mixed performance with large cap indices failing to recover to their 1st October opening whereas the mid and small cap space recorded reasonable gains overall. The Numis Smaller Companies Index generated returns of 8.9% over the year demonstrating the relatively strong performance in that sector of the market. Market volatility led to the postponement of a number of IPOs during our first quarter but, despite this temporary lull, institutional investors became more receptive to IPOs and equity raisings during the remainder of the year.

For the market as a whole, the value of secondary trading on the London Stock Exchange maintained its momentum from the latter part of our 2014 financial year, with secondary trading (by value) in Main Market stocks up 10% on the same 12 month period last year. Over the same period however, equity funds raised on AIM and the Main Market combined totalled £29.0bn compared to £34.5bn during the same period last year reflecting lower levels of IPO activity partially offset by a stronger and more active market for secondary issuance.

	2015 £m	2014 £m
Net trading gains	4.1	7.7
Net institutional commission	29.3	31.9
Net institutional income	33.4	39.6
Corporate fees	17.9	9.0
Placing commission	37.7	36.5
Corporate transaction income	55.6	45.5
Corporate retainers	9.0	7.8
Revenue	98.0	92.9

Our revenue performance from corporate finance and capital raisings for the year totalled £55.6m (2014: £45.5m) and is at the highest level in the Group's history. This reflects buoyant levels of transaction volumes and funds raised for our clients and the fact that we remain ranked #2 bookrunner by number of issues (2014 calendar year and 2015 YTD, Thomson Reuters). In addition, we benefitted from increased M&A activity amongst our client base.

Combined institutional commission & trading revenues for the year totalled £33.4m (2014: £39.6m). The increased market volatility experienced during our first quarter contributed to the relatively subdued performance of our market making activity whereas institutional commissions earned from execution and research services held up well against a background of challenging regulatory proposals supporting the unbundling of research and execution commissions.

Administrative expenses for the year totalled £70.1m (2014: £69.0m) and, in part, reflect a growth in average headcount to 210 (2014: 189). Staff costs per average head have reduced from £260,000 in 2014 to £226,000 in 2015 largely as a consequence of reduced share scheme related charges (including national insurance provisions) coupled with bonus payment deferrals introduced for 2015. Certain elements within non-staff costs increase with activity levels and higher staffing levels. In addition, 2015 saw a number of investments in our infrastructure coupled with projects which incurred expenditure that is one-off in nature.

Strategic Investments

We made a number of strategic investments during 2015 including the Group's investment in Crowdcube, the pioneering crowd funding platform and the Group received the required regulatory permissions to carry out investment management services. This activity is being operated through our subsidiary Numis Asset Management Limited.

This was followed by the establishment of the FP Numis Mid Cap Fund in July 2015 through Fund Partners Limited (the Authorised Corporate Director) who appointed Numis Asset Management Limited as investment manager to the fund. The investment objective of this fund is to produce a total return in excess of the Numis Mid Cap Index over the medium term, typically a 3 year rolling period. Seed capital has been provided to the fund by Numis Corporation Plc and it is unlikely that third party money will follow until the fund performance shows a suitable track record.

We believe these investments are complementary to our existing core business and that they offer an exciting opportunity for the Group to grow its presence in areas in which it has expertise.

Financial Position

Our balance sheet remains strong with cash balances totalling £59.6m (2014: £74.5m) while net assets have increased to £115.5m (2014: £110.1m). Cash balances reflect increased levels of operating profit whilst supporting a higher degree of investment in our people and infrastructure, along with maintaining dividend distributions (£12.1m cash outflow) and the repurchase of shares into Treasury and the Employee Benefit Trust (£5.4m cash outflow). The increase in assets held as a result of investing activity reflects the strategic investments we have made. These strategic investments are shown as an increase in current asset trading activity in the reconciliation of profit before tax to cash flows from operating activity (note 9).

Corporate Broking and Advisory

We believe in building long-term relationships with our clients, endeavouring to provide them with service of exceptional quality tailored to their needs. Our track record reflects the quality of our client relationships and the depth of expertise that enable us to deliver high quality solutions.

Notable deals completed during the year included IPOs for Autotrader, DFS, Aldermore, On The Beach, UK Mortgages and Sophos. We also completed a number of sizable secondary raises for our corporate clients including Kier, IP Group, Bluefield Solar, Sherborne Investors, Mothercare and Bank of Georgia. In total we raised £2.0bn of equity finance during the year (2014: £2.1bn) which equates to 6.9% (2014: 5.9%) of total equity fund raising on the London Stock Exchange. As well as equity issuance, we also completed 31 advisory roles (2014: 30) during the year, the largest being Micro Focus' \$2.35bn reverse acquisition of Attachmate Group.

We continue to attract high quality corporate clients with 37 new clients added during the year bringing the total number for whom we act to 183 companies (2014: 171). This has helped to achieve a 15% increase in retainer fees year-on-year. The breadth and quality of our corporate client list is significant and incorporates listed companies across the mid and small cap space as well as those listed on AIM. Indeed, we remain ranked second stockbroker overall by total number of stock market clients in the most recent Corporate Advisers Rankings Guide.

The offering to our corporate clients includes access to worldwide institutional investors, but also to a network of over 2,500 active private client fund managers (PCFM) providing alternative sources of liquidity and investor interaction. With access to over 200 PCFM houses throughout the UK our dedicated PCFM team continues to serve a client base which now totals 41 clients (2014: 43).

In addition our Investor Relations team provides the link between companies, existing shareholders and potential investors. This is achieved through the organisation of road shows, site visits and investor conferences in the UK, Europe and the USA.

The calibre and dedication of our people was instrumental in Numis being voted #1 UK Small & Mid Cap Brokerage Firm by both companies and institutions for the third year in succession in the 2015 Thomson Reuters Extel survey.

Research and Sales

High quality research and sales is at the heart of our business. It creates relationships based on trust with our institutional clients and is at the core of our powerful international distribution capability. Our sector analysts cover approximately 300 companies across 16 sectors while our Investment Funds research team covers around 400 investment companies and funds, focusing on funds with specialist or differentiated mandates, included quoted equity, private equity, hedge funds, property and other alternative assets. We continue to invest in our Research capability and experience strong staff retention.

Our highly regarded sales team provides distribution to our 450+ active institutional clients across the UK, Europe, the Americas and Australasia. Data from external providers such as Starmine and TIM Ideas continues to demonstrate the very impressive value we add to our institutional clients, helping them to outperform. Our US office continues to provide an excellent service in marketing UK quoted companies to major US institutional investors and arranging road shows in the US for UK mid cap and larger companies. We believe our North American capability remains unmatched by our competitors.

Execution

We provide active execution services in over 650 stocks, of which almost 530 are listed on the Main Market of the London Stock Exchange. Importantly, on average, we had the leading market share in 133 (full year 2014: 123) stocks across these markets, and were a top three service provider in a further 107 stocks (2014: 107). With access to 19 trading venues and liquidity providers we are able to deliver an exceptionally strong execution capability to our institutional clients who value the flexibility that our execution platform provides. We remain one of the leading brokers in UK small and mid cap stocks with execution services that are highly ranked in external surveys.

Dividend

In view of our robust capital position, cash balances and confidence in the Group's future prospects, the Board is recommending a final dividend of 6.0p per share (2014: 5.5p per share) which increases the total dividend for the year by 10% to 11.5p per share (2014: 10.5 per share).

The final dividend for 2015 will be payable on 19 February 2016 to shareholders on the register of members at the close of business on 11 December 2015, subject to shareholder approval at the Annual General Meeting on 2 February 2016. Shareholders have the option to elect to use their cash dividend to buy additional shares in Numis through a Dividend Re-Investment Plan (DRIP). The details of the DRIP will be explained in a circular to accompany our 2015 Annual Report and Accounts, which will be circulated to all shareholders on 5 January 2016.

Current Trading and Outlook

Our new financial year has started strongly with the completion of 12 fund raises including 6 IPOs along with a number of advisory mandates. However, equity indices have experienced increased volatility of late and we remain sensitive to such market conditions.

We believe there remains an appetite for high quality IPOs supported by greater levels of M&A returning cash to investors. Our focus has always centred around the quality of our corporate client list, servicing our clients well and building trusted relationships with institutions. This strategy has helped to ensure that the firm remains well positioned to enjoy future success.

Oliver Hemsley
Chief Executive
2 December 2015

Consolidated Income Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Note	2015 £'000	2014 £'000
Revenue	3	97,985	92,862
Other operating (expense)/income	4	(1,978)	49
Total income		96,007	92,911
Administrative expenses	5	(70,115)	(69,018)
Operating profit		25,892	23,893
Finance income		459	527
Finance costs		(269)	(50)
Profit before tax		26,082	24,370
Taxation		(4,533)	(4,311)
Profit after tax		21,549	20,059
Attributable to:			
Owners of the parent		21,549	20,059
Earnings per share			
Basic	6	19.5p	18.7p
Diluted	6	18.3p	17.1p
Dividends for the year	7	(12,139)	(11,042)

Consolidated Statement of Comprehensive Income
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015	2014
	£'000	£'000
Profit for the year	21,549	20,059
Exchange differences on translation of foreign operations	227	52
Other comprehensive income for the year, net of tax	227	52
Total comprehensive income for the year, net of tax, attributable to owners of the parent	21,776	20,111

Consolidated Balance Sheet

AS AT 30 SEPTEMBER 2015

	Note	2015 £'000	2014 £'000
Non current assets			
Property, plant and equipment	8a	4,486	1,473
Intangible assets		247	124
Deferred tax	8b	1,991	2,740
		6,724	4,337
Current assets			
Trade and other receivables	8c	160,397	300,177
Trading investments	8d	57,621	47,254
Stock borrowing collateral	8e	822	3,348
Derivative financial instruments		683	613
Cash and cash equivalents	8g	59,591	74,518
		279,114	425,910
Current liabilities			
Trade and other payables	8c	(161,646)	(307,375)
Financial liabilities	8f	(6,913)	(11,028)
Current income tax		(1,760)	(1,767)
		(170,319)	(320,170)
Net current assets		108,795	105,740
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Net assets		115,519	110,077
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Equity			
Share capital		5,922	5,922
Share premium		38,854	38,854
Other reserves		5,631	8,063
Retained earnings		65,112	57,238
Total equity		115,519	110,077

Consolidated Statement of Changes in Equity
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Earnings £'000	Total Equity £'000
Balance at 1 October 2014	5,922	38,854	8,063	57,238	110,077
Profit for the year				21,549	21,549
Other comprehensive income			227	-	227
Total comprehensive income for the year			227	21,549	21,776
New shares issued	-	-	-	-	-
Dividends paid				(12,139)	(12,139)
Net movement in Treasury shares				1,608	1,608
Movement in respect of employee share plans			(2,659)	(2,411)	(5,070)
Deferred tax related to share based payments				(733)	(733)
Transactions with shareholders	-	-	(2,659)	(13,675)	(16,334)
Balance at 30 September 2015	5,922	38,854	5,631	65,112	115,519

	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Earnings £'000	Total Equity £'000
Balance at 1 October 2013	5,865	35,830	10,119	55,013	106,827
Profit for the year				20,059	20,059
Other comprehensive income			52	-	52
Total comprehensive income for the year			52	20,059	20,111
New shares issued	57	3,024	-	-	3,081
Dividends paid				(11,042)	(11,042)
Net movement in Treasury shares				(10,807)	(10,807)
Movement in respect of employee share plans			(2,108)	3,866	1,758
Deferred tax related to share based payments				149	149
Transactions with shareholders	57	3,024	(2,108)	(17,834)	(16,861)
Balance at 30 September 2014	5,922	38,854	8,063	57,238	110,077

Consolidated Statement of Cash Flows
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Note	2015 £'000	2014 £'000
Cash flows from operating activities	9	10,995	26,978
Interest paid		(4)	(31)
Taxation paid		(4,524)	(5,783)
Net cash from operating activities		6,467	21,164
Investing activities			
Purchase of property, plant and equipment		(3,885)	(205)
Purchase of intangible assets		(234)	(77)
Interest received		487	605
Net cash from investing activities		(3,632)	323
Financing activities			
Purchases of own shares – Treasury		(3,473)	(9,829)
Purchases of own shares – Employee Benefit Trust		(1,898)	(168)
Dividends paid		(12,139)	(7,961)
Net cash used in financing activities		(17,510)	(17,958)
Net movement in cash and cash equivalents		(14,675)	3,529
Opening cash and cash equivalents		74,518	71,205
Net movement in cash and cash equivalents		(14,675)	3,529
Exchange movements		(252)	(216)
Closing cash and cash equivalents		59,591	74,518

Notes to the Financial Statements

1. Basis of preparation and accounting policies

Basis of preparation

The consolidated financial information contained within these financial statements is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The statutory accounts for the year ended 30 September 2015 will be delivered to the Registrar of Companies in due course. The annual report and statutory accounts will be posted to shareholders on 4 January 2016 and further copies will be available from the Company Secretary at the Company's registered office. The Company's Annual General Meeting will be held on 2 February 2016.

The preparation of these financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The significant judgements and estimates applied by the Group in these preliminary results have been applied on a consistent basis with the statutory accounts for the years ended 30 September 2014 and 2013. Although such estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those of estimates.

The consolidated financial information contained within these financial statements has been prepared on the historical cost basis, except for the revaluation of certain financial instruments.

The consolidated financial information contained within these financial statements has been prepared on a going concern basis as the Directors have satisfied themselves that, at the time of approving the financial information and having taken into consideration the strength of the Group balance sheet and cash balances, the Group has adequate resources to continue in operational existence for at least the next twelve months.

Accounting policies

The consolidated financial information contained within these financial statements has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, and are in accordance with the accounting policies that were applied in the Group's statutory accounts for the year ended 30 September 2014.

2. Segmental analysis

Geographical information

The Group is managed as an integrated corporate advisory and broking business and although there are different revenue types (which are separately disclosed in note 3) the nature of the Group's activities is considered to be subject to the same and/or similar economic characteristics. Consequently the Group is managed as a single business unit.

The Group earns its revenue in the following geographical locations:

	2015	2014
	£'000	£'000
United Kingdom	89,297	84,295
United States	8,688	8,567
	97,985	92,862

There are no clients who accounted for more than 10% of revenues in the year ended 30 September 2015 (2014: Nil).

The following is an analysis of the carrying amount of non-current assets (excluding financial instruments and deferred tax assets) by the geographical area in which the assets are located:

	2015	2014
	£'000	£'000
United Kingdom	4,573	1,423
United States	160	174
	4,733	1,597

Other information

In addition, the analysis below sets out the revenue performance and net asset split between our core advisory & broking business and the small number of equity holdings which constitute our investment portfolio.

	2015	2014
	£'000	£'000
Net institutional commission and trading income	33,390	39,597
Corporate transaction revenues	55,654	45,469
Corporate retainers	8,941	7,796
Revenue from corporate advisory & broking (see note 3)	97,985	92,862
Investment activity net (losses)/gains	(1,978)	49
Contribution from investing activities	(1,978)	49
Total	96,007	92,911

Net assets

Corporate advisory & stockbroking	25,105	20,399
Cash collateral at clearing houses	5,430	4,740
Investing activities	25,393	10,420
Cash and cash equivalents	59,591	74,518
Total net assets	115,519	110,077

3. Revenue

	2015	2014
	£'000	£'000
Net trading gains	4,056	7,715
Institutional commissions	29,334	31,882
Net institutional income	33,390	39,597
Corporate retainers	8,941	7,796
Corporate fees	17,921	8,972
Placing commissions	37,733	36,497
	97,985	92,862

4. Other operating (expense)/income

Other operating (expense)/income represent (losses)/gains made on investments which are held outside of the market making portfolio. The loss recorded in 2015 reflects price movements on quoted holdings, fair value adjustments on unquoted companies and dividend income.

5. Administrative expenses

	2015	2014
	£'000	£'000
Wages and salaries	36,131	36,251
Social security costs	5,201	6,327
Compensation for loss of office	32	353
Other pension costs	1,930	1,624
Share based payments	4,104	4,575
Non compensation costs	22,717	19,888
	70,115	69,018

The average number of employees during the year increased to 210 (2014: 189) with the number as at 30 September 2015 totalling 211 (30 September 2014: 202). Non-compensation costs were impacted by increased staffing levels along with higher levels of business activity and comprise expenses incurred in the normal course of business, the most significant of which relate to technology, information systems, market data, brokerage, clearing and exchange fees. In addition, a number of projects were undertaken during the year which involved expenditure that is unlikely to reoccur in 2016.

6. Earnings per share

Basic earnings per share is calculated on a profit after tax of £21,549,000 (2014: £20,059,000) and 110,757,969 (2014: 107,302,591) ordinary shares being the weighted average number of ordinary shares in issue during the year. Diluted earnings per share takes account of contingently issuable shares arising from share scheme award arrangements where their impact would be dilutive. In accordance with IAS 33, potential ordinary shares are only considered dilutive when their conversion would decrease the profit per share or increase the loss per share from continuing operations attributable to the equity holders.

The calculations exclude shares held by the Employee Benefit Trusts on behalf of the Group and shares held in Treasury.

	2015	2014
	Number	Number
	Thousands	Thousands
Weighted average number of ordinary shares in issue during the year – basic	110,758	107,302
Dilutive effect of share awards	6,867	9,912
Diluted number of ordinary shares	117,625	117,214

7. Dividends

	2015	2014
	£'000	£'000
Final dividend for year ended 30 September 2013 (5.00p)		5,443
Interim dividend for year ended 30 September 2014 (5.00p)		5,599
Final dividend for year ended 30 September 2014 (5.50p)	6,072	
Interim dividend for year ended 30 September 2015 (5.50p)	6,067	
Distribution to equity holders of Numis Corporation Plc	12,139	11,042

The Board has proposed a final dividend of 6.0p per share for the year ended 30 September 2015. This has not been recognised as a liability of the Group at the year end as it has not yet been approved by the shareholders. These preliminary results do not reflect this dividend payable.

8. Balance sheet items

(a) Property, plant and equipment

The Group's offices in London underwent a program of refurbishment during the year.

(b) Deferred tax

As at 30 September 2015 deferred tax assets totalling £1,991,000 (2014: £2,740,000) have been recognised reflecting managements' confidence that there will be sufficient levels of future taxable gains against which the deferred tax asset can be utilised. The deferred tax asset principally comprises amounts in respect of share based payments. A deferred tax asset of £919,000 (2014: £1,155,000) relating to unrelieved trading losses incurred has not been recognised as there is insufficient supportable evidence within the relevant legal entity that there will be taxable gains in the future against which the deferred tax asset could be utilised.

(c) Trade and other receivables and Trade and other payables

Trade and other receivables and Trade and other payables principally comprise amounts due from and due to clients, brokers and other counterparties. Such amounts represent unsettled sold and unsettled purchased securities transactions and are stated gross. The magnitude of such balances varies with the level of business being transacted around the reporting date. Included within Trade and other receivables are cash collateral balances held with securities clearing houses of £5,430,000 (2014: £4,740,000).

(d) Trading investments

Included within trading investments is £25,393,000 (2014: £10,420,000) of investments held outside of the market making portfolio. A number of additions were made during the year including the Group's investment in Crowdcube, the pioneering crowd funding platform, and seed funding invested in the FP Numis Mid Cap Fund launched in July 2015.

As at 30 September 2015 no trading investments had been pledged to institutions under stock lending arrangements (2014: nil).

(e) Stock borrowing and lending collateral

The Group enters stock borrowing and lending arrangements with certain institutions which are entered into on a collateralised basis with securities or cash advanced or received as collateral. Under such arrangements a security is purchased or sold with a commitment to return it at a future date at an agreed price.

The securities purchased are not recognised on the balance sheet whereas the securities sold remain on the balance sheet with the transaction treated as a secured loan made for the purchase or sale price. Where cash has been used to effect the purchase or sale, an asset or liability is recorded on the balance sheet as stock borrowing or lending collateral at the amount of cash collateral advanced or received.

Where trading investments have been pledged as security these remain within trading investments and the value of the security pledged disclosed separately except in the case of short-term highly liquid assets with an original maturity of 3 months or less, which are reported within cash and cash equivalents with the value of security pledged disclosed separately.

(f) Financial liabilities

Financial liabilities comprise short market making positions and include shares listed on the LSE Main and AIM markets as well as overseas exchanges. In conjunction with the long market making positions included within Trading investments, these two combined represent the net position of holdings within the market making book which, year on year, has remained broadly static at £26.0m (2014: £25.8m). The magnitude of financial liabilities will depend, in part, on the nature and make-up of long positions combined with the market makers' view of those long positions over the short and medium term, taking into consideration market volatility, liquidity, client demand and future corporate actions.

(g) Cash and cash equivalents

Cash balances reflect increased levels of operating profit whilst supporting a higher degree of investment in our people and infrastructure, along with maintaining dividend distributions (£12.1m cash outflow) and the repurchase of shares into Treasury and the Employee Benefit Trust (£5.4m cash outflow). In addition, we have invested £10m into the Numis Mid Cap Fund and a further amount into Crowdcube.

9. Reconciliation of profit before tax to cash flows from operating activities

	2015	2014
	£000	£000
Profit before tax	26,082	24,370
Net finance income	(190)	(477)
Depreciation charges on property, plant and equipment	882	384
Amortisation charges on intangible assets	111	77
Share scheme charges	4,104	4,575
(Increase)/decrease in current asset trading investments	(10,367)	(11,051)
Decrease/(increase) in trade and other receivables	137,285	(104,976)
Net movement in stock borrowing /lending collateral	2,526	(3,056)
(Decrease)/increase in trade and other payables	(149,368)	116,966
(Increase)/decrease in derivatives	(70)	166
Cash flows from operating activities	10,995	26,978

10. Adjusted profit measures

The following table reconciles the statutory measures of profit before tax, profit after tax and earnings per share to the adjusted measures used by management in their assessment of the underlying performance of the business:

	2015	2014
	£'000	£'000
Statutory group profit before tax	26,082	24,370
Items not included within adjusted profit before tax:		
Other operating (expense)/income	1,978	(49)
Share scheme charges	4,104	4,575
National insurance provisions related to share scheme awards	562	1,555
Adjusted group profit before tax	32,726	30,451
Statutory Group taxation	(4,533)	(4,311)
Tax impact of adjustments	(565)	(379)
Adjusted group taxation	(5,098)	(4,690)
Adjusted group profit after tax	27,628	25,761

	2015	2014
Basic weighted average number of shares, number	110,757,969	107,302,591
Adjusted basic earnings per share, pence	24.9p	24.0p
Adjusted diluted earnings per share, pence	23.5p	22.0p